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JPRS-UPS-84-045

17 May 1984

## **USSR** Report

POLITICAL AND SOCIOLOGICAL AFFAIRS

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# USSR REPORT POLITICAL AND SOCIOLOGICAL AFFAIRS

### CONTENTS

#### INTERNATIONAL

Table of Contents: AZIYA I AFRIKA SEGODNYA No 2, 1984  (AZIYA I AFRIKA SEGODNYA, No 2, Feb 84)	1
Saudi Arabia-U.S.A: Common Interests and Contradictions (L. Val'kova; AZIYA I AFRIKA SEGODNYA, No 2, Feb 84)	3
Future Problems Seen From Philippine Economic Successes in 1970's (A. Akopyan; AZIYA I AFRIKA SEGODNYA, No 2, Feb 84)	10
Arrangements With TNC's Seen More Favorable for Third World (I. Ivanov; AZIYA I AFRIKA SEGODNYA, No 2, Feb 84)	17
Book on Modern Islamic Political Thought Reviewed (L. Yefimova; AZIYA I AFRIKA SEGODNYA, No 2, Feb 84)	25
Nigeria as Example of Rise of Afro-Asian Bourgeoisie as Ruling Clas	8
(V. Chernovskaya; AZIYA I AFRIKA SEGODNYA, No 2, Feb 84).	27
Commentator Deals With Question on 'Limited Sovereignty Doctrine' (NEW TIMES, No 15, Apr 84)	36
NATIONAL	
Gosplan Agroindustrial Chief on Organization of Agroindustrial Comp	1ex
(G. Rudenko; PRAVDA, 16 Mar 84)	38
Book on Party Cadres Policy Reviewed (S. Nazarov; PARTIYNAYA ZHIZN', No 3, Feb 84)	42

'Only Soviet Sociology Textbook' (New Edition) Reviewed (L. Il'ichev; IZVESTIYA, 24 Mar 84)	45
REGIONAL	
Nabiyev Meets With Tajik Electorate	
(KOMMUNIST TADZHIKISTANA, 28 Feb 84)	47
Uzbek CC Buro Discusses Economic Topics	
(PRAVDA VOSTOKA, 17 Feb 84)	50
Baku Gorkom Plenum Emphasizes Economic Improvements	
(BAKINSKIY RABOCHIY, 18 Mar 84)	52
Latvian Language and Literature Institute Head on Russian	
(T. Yakubaytis: SOVETSKAYA LATVIYA, 5 Jan 84)	55

#### INTERNATIONAL

TABLE OF CONTENTS: AZIYA I AFRIKA SEGODNYA NO 2, 1984	
Moscow AZIYA I AFRIKA SEGODNYA in Russian No 2, Feb 84 p 1	
[Text]	
<ul> <li>V. Komarovskiy. The Myth of the "Soviet Military Threat" and the Developing Countries</li> <li>Yu. Lugovskoy. Asia. Washington's Dangerous Intrigues</li> <li>Block the Road to Imperialist Adventures!</li> <li>V. Chernovskaya. Nigeria. Business Organizations in Political Life</li> <li>L. Val'kova. Saudi Arabia. U.S.A. Common Interests and Contradictions</li> <li>I. Blishchenko. Lebanon. The "Peace" Agreement and its Fruits</li> <li>A. Akopyan. The Philippines. The "Miracle" Debunked</li> </ul>	2 5 8 10 14 17 19
TURN THE INDIAN OCEAN INTO A PEACE ZONE	
A. Portnyagin. In the Pentagon's Sites Yu. Nikolayev. Who is Defeating the Negotiations?	22 26
THE ECONOMIST'S ROSTRUM	
I. Ivanov. The State and Foreign Capital: A Modification of Relationships	28
TRAVELS, MEETINGS, IMPRESSIONS	
V. Tsvetov. Japan. Deputies, and Policemen and Thieves M. Pavalov. Tunisia. On the Edge of the Sahara In the View FinderSri Lanka	31 34 37
EVENTSFIGURESFACTS	38
REVIEWS, INFORMATION	
N. Rebrikova. The Problems of the Thai Village	42

#### REPLIES TO READERS

I. Latyshev. Japan. "Workers in Rabbit Cages"	45
CULTURE, LITERATURE, ART	
Mofidul Khok. Bangladesh. Renaissance of the Theater	49
A. Vasil'yev. Algeria. In the Land of the Masters L. Budina. Turkey. Continuing the Traditions of Khodzhi	51
Nasreddin	53
Aziz Nesin. Stories	54
TRADITIONS, CUSTOMS, MORES	
O. Bibikova. The Arab Kitchen	56
SPORTS	
A. Dolin. SumoA Battle of Giants	59
IN THE WORLD OF BOOKS	
A. Voronin. A Revolutionary's Reflections on Africa	62
L. Yefimova. Islam and Today's World	62
Ye. Rashkovskiy. Pages From Mongolian History	63
N. Petrov. The Social Face of the African Manager	63
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2959

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#### INTERNATIONAL

SAUDI ARABIA-U.S.A: COMMON INTERESTS AND CONTRADICTIONS

Moscow AZIYA I AFRIKA SEGODNYA in Russian No 2, Feb 84 pp 14-16

[Article by L. Val'kova, candidate in historical sciences: "Saudi Arabia—U.S.A: Common Interests and Contradictions"]

[Text] Ten years have passed since the time that Saudi Arabia quite resolutely announced itself on the international arena as a relatively independent political force. It is this way that its active participation in 1973 in the petroleum embargoes against a number of imperialist states, including the U.S.A, can be regarded.

Of the broad complex of issues involved in the relations between Saudi Arabia and the United States, we shall examine only certain aspects of the policy of these two states with respect to the Near East problem. What unites and what separates Saudi Arabia and the United States, and what are the similarities and differences in their policies in the Near East region?

First of all, it should be emphasized that both states are in need of each other. The United States is interested in preserving and strengthening its positions in Saudi Arabia whose strategic importance has become especially great since the fall of the Shah's regime in Iran and the murder of the President of Egypt, A. Sadat. The tremendous petroleum resources of the Saudi kingdom are also of great importance for the United States. In recent years Washington has also been devoting marked attention to Saudi Arabia in connection with the latter's plans to realize its enormous bank deposits abroad. Riyadh, in its turn, is showing no less interest in developing cooperation with its partner on the other side of the ocean. Although in early September 1980 Saudi Arabia did buy out the entire 100 percent of the shares of the American monopoly ARAMCO, the country's petroleum industry is unable to function without the help of American specialists and administrative cadres, and the markets for Saudi petroleum are controlled by multinational corporations. Saudi Arabia which has a one-sided orientation in expanding its relations toward the highly developed countries of the capitalist system is in need, in particular, of American scientific and technical assistance in all of the spheres of its economic activity. Riyadh has also become dependent upon the United States for military equipment.

Nevertheless, the relations between the two countries have not always been smooth. There are serious reasons for this. Apart from its common interests with the United States, the Saudi Dynasty has goals which are far from those of its foreign partner. In the early 1970s the dynasty actively joined in the struggle for leadership in the Arab East and among other countries with a primarily Moslem population. Such pretensions by the Saudi leadership are welcomed in the White House: the American ruling circles are interested in strengthening the positions of the conservative forces in various regions of the world. But, at the same time, consideration also has to be given to aspects of Saudi foreign policy with which the United States is by no means impressed.

In order to strengthen its positions in the struggle for leadership Saudi Arabia has begun to call attention above all to its special place among other countries with a Moslem population, emphasizing that the Saudi Dynasty is the caretaker of highly important Islamic monuments: the founder of the Moslem religion, the Prophet Mohammed, was born in Mecca and is buried in Medina. Making active use of the exclusive position of Saudi Arabia in the history of Islam, the Saudis have found it to be their duty to come to the defense of Moslem shrines in Israeli-occupied Jerusalem, and also to the defense of the rights of Moslems on other lands which have been seized by Tel-Aviv. Hence, the attention which the Saudi leadership has begun to give to the struggle of the Palestinian people for its legitimate rights. But in this area of its activities Saudi Arabia could not count on support from the United States. The struggle for the role of leader has also required a more independent policy with respect to certain other issues.

Since the time of the Camp David deal in September 1978 the Saudi leadership has been refusing to support American plans which provide for the signing of separate peace treaties with Israel by the countries which have been drawn into the Near East conflict. Saudi Arabia has been providing financial assistance to all participants in the struggle against Israeli expansionism, including the Palestine Liberation Organization, and has been demanding Israel's withdrawal from all of the Arab territories occupied by it since 1967. Saudi Arabia has been devoting a large amount of attention to the liberation from Israeli occupation of the eastern, Arab part of Jerusalem where the "al-Aqsa" Mosque and other Islamic monuments are located.

In 1981 the Western press took note of the fact that regarding the question of a Near East settlement Riyadh had in fact joined the "extremist" camp. In all probability, this conclusion was drawn chiefly as a result of the call by the Saudi leadership for a "Jihad"—a holy war against the infidels. True, in taking this initiative the Saudi leadership is not calling upon all believing Moslems to immediately take up arms. The call is based on the proposition that the leaders of countries with a predominant Moslem population should first use political and diplomatic methods of pressuring Israel, and then, if peaceful means of solving the problem do not produce results, they should move to more decisive measures.

On 6 June 1982 Tel-Aviv began full-scale aggression against Lebanon and the Palestine Liberation Organization whose combat detachments were located on

the territory of that country. Under these conditions it was especially important for Arab unity to manifest itself in deeds, and not in words.

Syrian troops numbering 30,000 men have been stationed in Lebanon by mandate of the League of Arab States since 1976. For one or another reason, the other Arab countries, with the exception of Libya, the People's Democratic Republic of Yemen, and the Yemen Arab Republic, did not send their military contingents to Lebanon in reply to the appeal for help to them by the president of that country. As for Saudi Arabia, it undertook efforts only through diplomatic channels and did not give Lebanon and the PLO military assistance. The Saudis were probably afraid to bring things to the point of a sharp exacerbation of relations with the United States.

But, nevertheless, the Saudi leadership showed flexibility in this critical situation. Understanding the necessity for the solidarity of Arab countries with different regimes, the Saudi elite, led by Fahd who had become King of Saudi Arabia in 1982, voted on 9 September along with the heads of 18 other Arab countries and the leadership of the PLO for a general Arab platform on the question of a Near East settlement. This platform was adopted at the second stage of the 12th Conference of the heads of Arab states and governments in Fez (Morocco) in September 1982. It was worked out to take account of many of the points of Fahd's plan which appeared a year before. The document which was adopted not only recognized the right of the Arab Palestinian people to self-determination, but stated that this legitimate right should be realized under the leadership of the PLO. It also emphasized that the UN Security Council should guarantee peace between all of the countries of the region, including an independent Arab Palestinian state which should be created. It especially emphasized that the Security Council should ensure the realization of the principles worked out in Fez, while the members of a "Committee of Seven" which had been created in accordance with the decisions of the Fez conference would maintain regular contacts with all of the permanent members of the Security Council. Prince Sa'ud al-Faysal, the Minister of Foreign Affairs, became Saudi Arabia's representative in this committee.

Literally a few days before the opening of the conference in Fez President Reagan of the United States put forward his own plan for a Near East settlement. In the Reagan plan the American leadership for the first time admitted the possibility of the evacuation by Israel of a substantial part of the West Bank of the River Jordan and of the Gaza Strip. At the same time, the American president put himself in categorical opposition to the creation on these territories of an independent Arab Palestinian state, and raised the question of including the liberated territories in the Kingdom of Jordan with the rights of association.

The calculation was that Reagan's "initiative" would receive the support of Jordan's King Hussein, who in gratitude for such "generosity" would agree to sign a separate peace treaty with Israel. And, in this case, the attempts to adopt a general Arab platform for a Near East settlement would, of course, not be crowned with success. But American diplomacy had miscalculated: the King of Jordan supported the general Arab program, understanding that otherwise Jordan could have found itself in the Arab East (as well as among other countries where Islam is predominant) in the same kind of isolation as Egypt

did after the signing by Sadat of a separate peace treaty with Israel. In addition, in all probability, the Jordanian government could not but reckon with the presence of a "Palestinian factor" within Jordan; it also took account of the importance of maintaining close relations with Saudi Arabia which gives Jordan substantial financial aid.

And in 1983 the Saudi leadership remained faithful to the general Arab platform, while continuing to devote, it is true, paramount attention to the problem of the liberation of East Jerusalem. The first to have raised the question of making East Jerusalem the capitol of an independent Arab Palestinian state, King Fahd continues to act in this direction, differing in his views on this question with the American Administration. As for the Lebanese-Israeli Agreement of 17 May 1983, Saudi Arabia did not support it, but it did not criticize it as did the progressive Arab regimes. In essence, Riyadh took a wait-and-see position in this matter.

Consideration should also be given to the Saudi leadership's attitude to the plan for the creation by the United States of a pro-American bloc, a Middle Eastern Treaty Organization (METO) in the Near East, and the expansion of Washington's military presence in the countries of the region. Along with such conservative Arab regimes as Saudi Arabia, it was planned to include Egypt, which had entered into a separate deal with Israel, and Israel itself in the pro-American bloc. But the United States did not succeed in realizing the plan for the creation of the METO. The Saudi leadership which refused to enter into the same bloc as Sadat's Egypt and, especially, as Zionist Israel played a role of considerable importance in the failure of this plan.

After the failure of the plan for the creation of METO Washington made new proposals—the establishment of "strategic cooperation" between the United States and Israel and the achievement of a "strategic agreement" with the conservative Arab regimes. However, this is no longer a matter of the organization of a single bloc of Arab monarchies with Israel included, but of "building bridges" between them. The creation in February 1981 of a Council of Cooperation of the Arab Gulf States (GCC) whose membership includes, in addition to Saudi Arabia, Kuwait, Qatar, Bahrain, the United Arab Emirates, and Oman testifies chiefly to the intention of the participants of this regional grouping to base themselves not on the United States, but on their own resources in ensuring their security. True, the slogan of "Basing Ourselves on Our Own Resources" is of a very relative character, for all of the participants in this organization and, above all, Saudi Arabia itself-the initiator of its creation--receive military assistance basically from the United States, while Oman has even committed the United States to using military base located on its territory. Nevertheless, in opposition to the American "Rapid Deployment Forces," in 1983 the participants of (GCC) decided to begin the creation of their own "Gulf Zone Rapid Deployment Forces." At the same time, the Saudi leadership has been actively supporting the idea of declaring the Gulf Zone to be a peace zone. This kind of position will undoubtedly contradict American plans in this region.

The Saudi Dynasty has repeatedly come out against the creation of foreign military bases on its land and on the territory of other Arab states. Since April 1962 Riyadh has not extended the rental period for the American base in

Dhahran. But while formally taking this position, the dynasty has many times retreated from it, permitting an American military presence on Saudi territory as a "temporary measure." Thus, in practice Riyadh has been helping to strengthen the American military presence in the region. Nevertheless, the ruling circles of Saudi Arabia will not agree to the creation of a permanent American military base on their land, since they understand that such an action could exacerbate the domestic political situation in the country, create difficulties for Saudi Arabia's position in the Arab East, and undermine its prestige among Moslems in other regions.

As for purchases by Riyadh of American military equipment, they had already taken on a broad scope beginning with the middle 1960s, and the amount of these purchases has been constantly growing. In April 1981 President Reagan made the decision to sell Saudi Arabia a large consignment of the latest military equipment, including aircraft equipped with the AWACS electronic surveillance system. The total amount of the deal was 8.5 billion dollars. The United States House of Representatives refused to support this request by the President. In voting in the upper house of Congress—the Senate—the "deal of the century" was approved by only a margin of four votes. The reason for such voting results is obviously the fact that recently Riyadh has begun to disagree more and more often with the American leadership with regard to Israel and Israel's policies.

It is advantageous for American ruling circles to strengthen the military potential of a country which has been cooperating with them in many areas and which, in addition, is located in an extremely important strategic region. The Pentagon is also undoubtedly making the calculation that, in the event of necessity, it will use the American military equipment in Saudi Arabia to attain its own ends. In addition, it is understood in Washington that the receipt by Saudi Arabia of highly complex American-made military equipment has to have the effect of tying the country closer to the United States, since without the help of American specialists Saudi Arabia would not be capable of mastering this equipment. And, it would seem, that a role of considerable importance in the favorable decision regarding purchases for Saudi Arabia was played by the fact that the Saudi leaders made it clear that if the American side refused they would be able to obtain the military equipment needed by them in other countries.

At the same time, a number of facts, particularly the reaction to the bombing by Israeli airplanes of an Iraqi nuclear center near Baghdad which was undertaken by Tel-Aviv with the agreement of the United States, testify to the fact that Saudi Arabia is not seeking to exacerbate relations in the alliance of Washington-Riyadh. In reply to this piratical raid, the Saudis limited themselves merely to condemning the bombing by Israel of the territory of an Arab country. In exactly the same way, Riyadh did not go beyond expressing its disapproval of the open participation by American armed forces in military operations on the territory of a sovereign state—Lebanon; and the actions of these forces there were directed against the Moslem population of this country.

Saudi Arabia is interested above all in supporting the right-wing forces and strengthening the reactionary tendencies in the countries of the region.

This is shown by the terms on which the Saudis grant financial aid to the liberated countries. There are quite a few examples of this. One of them is Egypt. Before the signing by Sadat of a separate peace treaty with Israel Egypt received truly the lion's share of Saudi aid. Petroleum dollar injections from Saudi Arabia accompanied such actions by Sadat as the restoration of diplomatic relations with the United States and the denunciation of the 27 May 1971 Friendship and Cooperation Treaty between the USSR and the Arab Republic of Egypt. Egypt's reorientation toward cooperation with the imperialist powers led it to capitulation to Israel. However, a paradoxical situation arose here: Saudi Arabia helped to bring the Sadat regime and the United States together and to strengthen rightist forces in Egypt, while at the same time, since it claimed leadership among the world's Moslems, the Saudi leadership did not approve the anti-Moslem thrust of Sadat's policy which expressed itself in the capitulation to Israel.

As for the Hashemite Kingdom of Jordan, Saudi Arabia continues to be its basic financier. This circumstance is utilized by the Saudis in cases when it becomes necessary to apply pressure to Amman. For example, when in 1976 King Hussein announced his intention of entering negotiations with the Soviet Union for the purchase by Jordan of Soviet military equipment he was immediately subjected to pressure from Riyadh. Saudi Arabia agreed to fully finance military equipment supplies for Jordan from the United States and the creation of an air defense system for the country, and allotted 500 million dollars for these ends.

Saudi petroleum dollars are also exercising considerable influence on the North Yemen regime. They have also helped with the "rightening" of the Sudan and Somalia, the Pakistan military leadership, and other primarily Moslem regimes. Promises of petrodollar assistance are also being used by the Saudis in order to influence the People's Democratic Republic of Yemen—the only Arab country in which a party is in power which officially guides itself in its actions by the ideology of scientific socialism.

A differentiated approach by Saudi Arabia to the countries of the region can be traced throughout Riyadh's entire petrodollar policy. However, it has to be acknowledged that this policy does contain a positive element: Saudi petroleum dollars are given to Syria, Jordan, and the PLO in support of their struggle against Israeli expansion. Saudi Arabia officially deprived Egypt of its financial aid after the signing of the separate peace treaty with Israel. It is substantially financing the inter-Arab security forces in Lebanon which are formed by Syria. But one qualification has to be made here: Saudi petrodollars can be expended only for resisting Israel's expansionist policies. The Saudis do not give Syria help which could be used to conduct radical social and economic transformations of a progressive character.

At the same time, the Saudi's petrodollar policy fully accords with the interests of the United States and the other imperialist states. Saudi monetary deposits are kept in American and West European banks. True, after the United States froze Iran's bank deposits the Saudis began to be apprehensive about their deposits in the United States and in the early 1980s they increased the flow of their monies into West European banks.

As for Saudi Arabia's direct petroleum policy itself, here American-Saudi relations have not been developing entirely smoothly. In connection with the anti-Shah revolution in Iran, Saudi Arabia has increased its petroleum extraction, bringing it to 10.3 million barrels a day. The Saudi leadership has repeatedly stated about this that it took this step with a view toward the interests primarily of the United States which the new authorities in Iran have refused to supply with the liquid fuel. At the same time, Saudi officials have given reminders that they expect reciprocal actions with the United States aimed at a solution of the Near East problem. In October 1981 Saudi Arabia began to substantially decrease its petroleum extraction, bringing it to 4.3 million barrels a day in February 1983, but this step should not be regarded as a protest by Riyadh against the pro-Israeli policy of the United States. The decrease in petroleum extraction has been dictated by world market conditions.

Saudi Arabia has consistently been moving in the political channel of the imperialist powers, above all, of the United States. This is shown by the fact that as of today Riyadh maintains diplomatic relations only with the capitalist and developing countries, and has still not fully renewed diplomatic relations with the Soviet Union, and has not established them with the other socialist states. Nevertheless, the attempts by American ruling circles to call Saudi Arabia's attention to a "Soviet threat" which has been invented by them has not been leading to the desired results. For Riyadh the problem of a Near East settlement continues to play a paramount role, and its chief enemy remains Israel.

Even a brief analysis of the relations between Saudi Arabia and the United States during the last decade permits the conclusion to be drawn that the foreign policies of the two states by no means always coincide. It is obvious that the more pro-Israel and anti-Moslem the policies of the American ruling circles become, the further apart will the policies of Riyadh and Washington grow from one another.

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2959

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#### INTERNATIONAL

FUTURE PROBLEMS SEEN FROM PHILIPPINE ECONOMIC SUCCESSES IN 1970'S

Moscow AZIYA I AFRIKA SEGODNYA in Russian No 2, Feb 84 pp 19-21

[Article by A. Akopyan: "The Debunked 'Miracle'"]

[Text] "The Asian Miracle".... This or something similar was the title of a number of publications that appeared in the 1970s in the foreign economic literature on the problems of the economic growth of the Philippines.

While the world capitalist economy had been seized by deep cyclical and structural crises during this period, the Philippines and certain other countries of the region demonstrated relatively high rates of economic development.

At the basis of the country's economic growth during the second half of the preceding decade was its industry, and chiefly its manufacturing branches whose production increased by an average of 6.4 percent annually. An important place was held by modern types of enterprise, particularly, the chemical and textile industries, electrical machine building, ferrous metallurgy, and others in which the highest growth indicators were registered—10-14 percent annually.

Added to the above was the fact that the expansion of the export sector in industry was the basic stimulator of development. On the whole, in the most dynamically developing sectors the export of finished products, beginning with the second half of the 1970's, exceeded one-half of the volume of output. As a result, by the beginning of the 1980's there had been an important increase in the share of manufactured goods in the Philippines' total exports. While in 1972 the value of exports of so-called nontraditional goods came to 101.4 million dollars, in 1980 their value was already 2.918 billion dollars with the corresponding proportions of the output of the modern branches of industry being 5-9 percent and 40 percent, respectively. The non-export branches of industry developed at relatively lower rates—an average of four-six percent annually—but their development was also quite dynamic.

What factors promoted such successful economic growth in the Philippines in the 1970s?

During the first decades of the country's independent development the need for national capital in new spheres of application was met by means of the creation of import-replacement productions, chiefly in the sphere of consumer

goods. A number of laws to limit and control imports were adopted. The lack of demand for intermediate output and for other production oriented goods, and the narrowness of the market held back the production of these goods within the country. There were also difficulties with the utilization of local types of industrial raw materials at enterprises which were under construction—frequently as a result of the low level of the development of the economic infrastructure.

As a result, the import-replacement productions which had been created in the 1950s and 1960s were marked by weak feedbacks and a low coefficient of the use of the local component. Under these conditions, the possibilities of the process of import-replacement quite rapidly proved to be basically exhausted. In the opinion of most investigators, this boundary line was reached by the Philippines by the first half of the 1960s.

The situation was complicated by the fact that the protectionist level of customs duties and the various kinds of quantitative restrictions on the importation of goods which had analogs in local production did not foster the introduction of advanced technology, and led to a lagging of the technical level and, in the final analysis, to a lowering of the quality of the output being produced. In the middle 1960s the average age of the machine tool pool at enterprises which worked for the domestic market came to 10-15 years, not to mention the outmodedness of the equipment being used. The "freezing" of a substantial part of capital in this sphere became a characteristic phenomenon for the second half of the 1960s. This period saw a clearly defined tendency toward a decrease in the work load level of production capacities which frequently came to 15-20 percent. The enumerated factors not only promoted a lowering of the profit norms in these branches, but, and this is of considerable importance, led to a "short-circuiting" of the latter, making it difficult to "switch" them into the production processes of other branches.

At the same time, the development of the most modern branches of industry which, as a rule, are science intensive and, in addition, require substantial capital investments was beyond the ability of the national bourgeoisie.

It was these circumstances, I believe, which made up the chief content of the quite difficult situation in which Philippine capital (and, first of all, its industrial-banking circles) found itself toward the middle of the 1960s. In other words, beginning approximately with the second half of the 1960s the problem of capital application became an especially acute one for the Philippine bourgeoisie; its acuteness consisted in the fact that factors of primarily a domestic order had been basically blocked.

Beginning with the second half of the 1960s there occurred a reorientation of the general course of the country's economic development primarily in the interests of big national capital. Two main directions may be distinguished in this course.

The first consists in seeking new methods for an accelerated capitalistic modernization of Philippine society and in the creation, in the final analysis, of favorable domestic conditions for the functioning of national capital. This kind of role can objectively be played by the state. Let us

merely note that from 1970 through 1980 the state's share of gross investments increased from 9 to 17-18 percent. The expansion of state intervention in the economic life of the country was also connected with the endeavor of the national bourgeoisie to minimize the losses which it had incurred in the difficult situation of the 1960s. In particular, the country's big businessmen began again to make wide use of the state mechanism, resorting to the practice of selling the state sector unprofitable enterprises and, on the other hand, buying up highly profitable state companies at low prices.

The program which was adopted at the end of the 1970s of providing state aid to private companies which had gotten to a difficult financial situation is a characteristic example. The program is directed by the Central Bank of the Philippines which received an especially created fund amounting to 500 million dollars. The aid is provided chiefly in the form of the buying of a controlling blocks of shares. Thus, in 1983 the state corporation, the "National Development Corporation," purchased controlling blocks of shares in 12 companies which had previously belonged to one of the country's largest financial and industrial groups—the "Kherdis Group"—in order to pay a debt by the latter of 130 million dollars to the "International Corporate Bank." In addition, with the government acting as a guarantor the state will again transfer the direction of these companies to the private sector.

In the second half of the 1970s the national bourgeoisie put forward and began to realize the program of the modernization and rationalization of the productions which had been created during the years of the import-replacement policy on the basis of state financing. In addition to this, the number of mixed companies involving the participation of private and state capital began to rapidly grow. In this way, the Philippine bourgeoisie has been creating a guaranteed and stable source of profits for itself.

The second direction consists in moving toward a wider use of the reserves for export oriented growth in the basic sectors of the economy and, above all, in industry. An export orientation with the on-the-whole weak positions of national companies on foreign markets signified nothing other than the "opening of doors" in a number of branches for foreign capital. Over a period of slightly more than 10 years the laws in relation to the activities of foreign investors in the Philippines underwent important liberalization, and in 1981 all of the laws in relation to foreign capital were brought into a single code.

As a result of these measures, in the 1970s there began a massive inflow of new foreign capital investments, a substantial part of which was directed into the sphere of industry, basically the export productions. Whereas in the early 1970s the net inflow of private direct investments in the country's economy had a "negative sign," in 1975 it was equal to 116.7 million dollars, and in 1977 to 191.1 million dollars. In all, the total foreign capital investment in the economy of the Philippines during the years 1968-1981 came to more than 1.3 billion dollars, or approximately 45 percent of the total investments. In addition, more than 65 percent of the foreign capital was directed into the sphere of industrial production, including 55 percent into its manufacturing branches. In 1982 alone foreign capital investments increased

compared to the previous year by almost 16 percent and exceeded 200 million dollars.

It is hardly possible that tax privileges alone could attract foreign monopoly capital in such large proportions. The cheapness of quite skilled manpower which, in addition, is English-speaking was an important factor promoting the inflow of capital. The electronics industry could serve as an example. The fact that the cost of manpower in the Philippines was 15 percent lower than in Hong Kong, Singapore, and South Korea contributed to the transfer there in the second half of the 1970s of the production operations of six multinational corporations which had previously been based in neighboring countries of Southeast Asia.

The status of mixed enterprise is used as the basic form for the penetration of the capital of the developed countries into the economy of the Philippines. This form is most often resorted to by the multinational corporations, a fact which is explained on the one hand, by the endeavor of the latter to ensure the continuity of their production cycle within the framework of their intra-corporation system, and on the other, by the existence of diverse specific features in the different countries connected with the special characteristics of their legal norms, historical traditions, and so forth. While shifting the expenditures connected with adapting the newly created enterprises to the concrete conditions of the country to the local circles of the national bourgeoisie which are closely connected with the government, foreign capital pursues, in the final analysis, its chief goal—the attainment of maximum profits within its entire system and, in particular, in the given conditions of one or another country.

The dimensions of the profits obtained at Philippine enterprises which have foreign capital participating in them can be judged from the data on the net profits of companies engaged in the production of semiconductors which in 1976 came to 6 million pesos, and in 1979 already amounted to 39.6 million pesos. In 1979 these companies obtained 0.38 pesos of net profits for every invested peso.

Enterprises which have the participation of foreign capital also have a higher work load level for their production capacities, and compared to "purely" Philippine companies the difference in this indicator comes to an average of 10-15 percent. In the opinion of a number of Philippine economists, the profit norm obtained at these enterprises is also, as a rule, higher.

It would appear that the above-noted circumstances are also very advantageous for national capital. It is not accidental that during the years 1970-1981 there were created in the country, according to our calculations, around 700 mixed enterprises, of which around 85 percent contain the participation of Japanese capital. Almost two-thirds of the capital here was invested by local companies, and one-third by foreign companies.

As "junior partners" Philippine businessmen try to protect their interests to a maximum. The "open door" policy was accompanied by guarantees of the rights of the national bourgeoisie: foreign capital was permitted into those spheres in which local entrepreneurs had not been especially active. The laws provide

for the Philippinization of foreign enterprises; in particular, after 30 years they have to become national enterprises, or mixed ones if in the past they had belonged entirely to foreigners.

Thus, the basic directions of the country's economic growth in the 1970s and early 1980s follow directly from the results of the preceding development. The expansion of the economic functions of the state, and also actively enlisted foreign capital were the chief factors in the successful development of the Philippine economy. The influence of the second factor proved to be more serious and consequential. At the same time, the successes which were achieved by the country in the past decade were accompanied by an exacerbation of old and by the appearance of new serious problems of economic development whose solution is especially important in the 1980s.

First, movement along the path of the development of integration processes, and the organization of inter-branch interaction--that is, an expansion of the domestic base for development--proved to be ineffective. The reason for this, I believe, is that the investments of foreign capital and, above all, of the multinational corporations signified in practice the creation of a specific link in their technological chain of intra-company production. It is quite natural that the "switching" of such productions into the national economy is minimal. One could rather speak of a "determined switching off." It is practically impossible to organize any kind of cooperation relations between enterprises created with the participation of foreign companies on account of differences in production technology, products assortment, and so forth. In addition, it is doubtful that there will be a development of feedbacks in the near future because, as was already noted above, the basic branches of industry which were created during the years of import-replacement are characterized on the whole by a low level of the quality of their output, by an outmoded products list, and so forth.

The rapid development of industrial production in the 1970s not only did not solve the problem of the unintegrated nature of the industrial production of the Philippines, but in a definite sense aggravated it. For this reason, the rapid growth of a number of modern enterprises is not an adequate reflection of the expansion of the national basis of development. Hence the short-term character of the impulses which are received by the economy from the extensive attraction of foreign capital and the necessity for the continuous and constantly increasing influx of this capital for the maintenance of attained growth rates.

The problem of lack of production integration is made more difficult by the uneven territorial location of production capacities which is the result chiefly of the low level of the development of the infrastructure. As of the beginning of the 1980s 60-65 percent of the country's production capacities were concentrated in Greater Manila, including the vast majority of enterprises in the export sector. In the early stages the construction of infrastructure facilities was held back by their high capital intensiveness and low profitability, which was the basic obstacle to a more even distribution of industrial enterprises.

Secondly, in the 1970s economic growth stimulators exercised a weak influence on accomplishing such important tasks as raising the level of employment and decreasing the number of unemployed in the country. Insofar as during the period from 1970 through 1981 the capital-labor ratio increased from 38,000 to 42,000-45,000 pesos (in fixed 1972 prices), the growth in the capital-output ratio held back the enlistment in industry of additional labor power. At the same time, the supply of labor power is being affected by the consequences of the unfavorable demographic situation in the 1960s and 1970s. The realization in the 1980s of industrial modernization programs will sharply decrease industry's labor absorption capabilities, which, in the final analysis, will promote a growth of social tensions in the country.

Thirdly, the growth of the role of foreign capital in the country's economy is being accompanied by the appearance of a large number of enterprises which are locked into the foreign market. In addition, there exists the constant possibility that these productions will move to other countries, which could give rise to serious complications in the economy. Let us note in this connection that since the end of the 1970s and, especially, in the beginning of the 1980s the number of such transfers has increased. Thus, of 342 multinational corporation headquarters registered in the Philippines, by 1983 only 162 were actually continuing their work there. In order to neutralize this tendency the government of the Philippines has been compelled to make important concessions to foreign investors. In particular, in 1982 persons of foreign origin who invested capital amounting to no less than 200,000 dollars in the economy of the country were automatically given the rights of Philippine citizenship which were valid for the entire time of the functioning of this capital. In the same year all of the multinational corporation headquarters were freed of mandatory contributions of substantial amounts of money for the realization of development plans for the backward areas of the country, and so forth.

The increased activities of foreign capital in the economy of the Philippines is being accompanied by a constant growth in the amount of profits which are being taken out of the country. At the same time, when foreign companies expand their activities on the archipelago or create a new enterprise they make extensive use of local financing sources. Frequently the proportion of funds borrowed from national credit institutions reaches three-quarters of the total amount of new investments.

Fourthly, the construction of large-scale and capital intensive projects which have been established in official national development programs, and a corresponding increase in the place and role of the state sector necessitates the attraction of substantial financial resources. Given the general insufficiency of domestic sources of financing, the country's government strives to obtain foreign loans and credits. The relatively low effectiveness of the use of the capital which is obtained (which reflects the overall low level of economic development of the Philippines), waste, the plundering of the treasury by state officials, and the scattering of state investments have the final effect of increasing the already enormous amount of needed capital investments. Whereas in 1970 the proportion of funds received through the channel of so-called official development assistance came to 45.9 percent in the total balance of the net influx of foreign resources, or approximately

146 million dollars, in 1979 these indicators reached 52 percent and 602 million dollars, respectively.

The enormous amounts of investments which were attracted every year from abroad have resulted in the fact that at the present time the Philippines has turned into an ordinary commercial borrower. Every year the amount of payments for previously received loans and credits increases, and the terms for acquiring new ones become increasingly rigid. As a result, the country has been compelled every year to divert a growing amount of foreign exchange which is so needed by it for the accomplishment of national development tasks. The basic burden of the state financing is placed in the final analysis on the taxpayer, thereby reducing the already small amounts of his buying power.

The above-noted contradictions and disproportions in the economy are reflected in other spheres of the social life of the Philippines which, in particular, became manifest after the murder in August 1983 of the opposition leader B. Aquino. This dramatic event gave rise to a serious exacerbation of the domestic political situation which, in its turn, was reflected in the economy: the flow of capital out of the country became stronger, incoming capital from abroad both in the form of private investments and through the channel of official development aid decreased, and there was an appreciable decline in business activity.

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2959

CSO: 1807/147

#### INTERNATIONAL

ARRANGEMENTS WITH TNC'S SEEN MORE FAVORABLE FOR THIRD WORLD

Moscow AZIYA I AFRIKA SEGODNYA in Russian No 2, Feb 84 pp 28-31

[Article by I. Ivanov, doctor of economic sciences: "The State and Foreign Capital: A Modification of Relationships"]

[Text] The severe consequences of the crisis of the 1970s and 1980s are again bringing to the attention of the developing countries problems of optimization of their economic policy and the choice of its general directions. This choice today is by no means simple. The events of recent years have shown that imperialism still retains important levers for putting pressure on the developing countries, and the possibility of using their unequal and dependent position in the capitalist economy. In addition, in connection with the decline of export income and a sharp increase in credit indebtedness there have been increasingly frequent suggestions from the West that the only way out for the young states in the situation which has developed is to again open their doors for unrestricted investments by the transnational corporations (TNC) and to create a "favorable climate" for this. This call for open doors and for a favorable climate has found an expression, in particular, in the Second Report of the Brandt Commission. Business and political circles in a number of liberated countries which are placing their hopes on such investments support the propositions contained in the report.

However, on the whole, the countries of the developing world continue to be dominated by an endeavor to strengthen their national sovereignty, despite the crises which arise and the intrigues of foreign capital. This course is regarded as being the definitive one in their latest collective documents, including the decisions of the Seventh Conference of the Heads of the States and Governments of the Nonaligned Countries in Delhi and the materials of the session of the ministers of the "Group of 77" in Buenos Aires. As a result, although more slowly than in the past, a modification of the relationships between the national state and foreign capital continues in this region of the world.

The most radical of measures and the nucleus of economic decolonization continues to be the nationalization of the property of foreign companies. It is this which is the most effective way of strengthening national sovereignty and, moreover, not only in a purely economic sense, but in a broader one also by creating the preconditions for the renaissance and development of national

self-consciousness, culture, and social values and for an independent foreign policy, and so forth. During the period from 1960 through 1976 there were registered 1,535 acts of full and partial nationalization with total assets of around 33 billion dollars; moreover, 73 percent of these instances took place during the 1970s. Having begun in the sphere of natural resources (44 percent of the instances), nationalization then spread to the manufacturing industry (27 percent of the cases), the infrastructure (12 percent), and banks and insurance (12 percent). Many important branches of the economy came into the hands of the state, and around 20 companies in the Afro-Asian countries which belong to these branches have even been included among the 500 largest non-American companies (according to the data which is put together every year by the magazine FORTUNE).

The reasons for and the conditions and results of the individual acts of nationalization are very diverse. At the same time, pro-imperialist tendencies have again become prevalent in a number of Afro-Asian countries, political reaction has become stronger, and, as a result of the changes which have occurred there, there have been cases of the return of their former assets to foreign monopolies. However, on the whole, what is in evidence is an endeavor to transfer all of the elements of the reproduction process of the developing countries into the framework of the national economy and to have them participate in the international division of labor on a nationally controlled economic base. From the point of view of property relationships, this means, in contrast to colonial times, that along with sovereignty over natural resources an increasingly substantial part of absolute and differential rent in the extracting and plantation industries is kept in the hands of the liberated states. In the branches of the manufacturing industry which are nationalized the same thing happens with the value which is added by processing and with industrial profits, while in banking and insurance it happens with the interest on loans and insurance premiums. Nationalized branches gradually lose their previous enclave character by being switched in to the local system of inter-branch relations with the result that the incomplete nature of the reproduction process on a national basis which had been left over from colonialism is weakened.

All of this has been expanding the national base for accumulations in Asia and Africa and creates the preconditions for an acceleration of development and for the carrying out of structural transformations in the economy in national interests with a relative and, in some places, absolute decrease in "tribute" (payments to foreign capital). Mass nationalization has refuted the alarming forecasts that by the 1980s 60-70 percent of capitalist industrial production would be concentrated under the control of the multinational corporations, and it has become a serious obstacle in the way of their expansion.

Of course, nationalization in the Afro-Asian countries, as in the developing countries as a whole, encounters serious difficulties. Without mentioning the possibility of punitive actions by the governments of the base countries of the multinational corporations, and also sabotage by the monopolies themselves, technically and economically the nationalized enterprises frequently fall out of the international network of sales and supply in which they had previously been integrated, and are deprived of their cadres of foreign

specialists. This engenders temporary difficulties in management and may worsen the first results of their independent economic activity. The nationalized production of individual goods, especially goods for export, is restrained by the control which the monopolies continue to have over foreign trade transportation and the processing and distribution of these goods on foreign markets.

Under these conditions, many of these countries are attempting to advance their national control as far as possible along the production-transportation-processing-sales chain. The state, in particular, takes upon itself the functions of a monopoly exporter of a number of very important goods, institutes agencies for the stabilization of their export prices, and so forth.

Most recently the arsenal of these aggressive means has been added to by international companies of the countries of Asia and Africa which are organized by them jointly for the purpose of accomplishing individual technical and economic tasks and opposing the TNC in production and trade sectors which are important for regional interests. Thus, in Southeast Asia through the initiative of Indonesia the "ASSKh Fertilizer" was organized—a company jointly owned by five countries of the region which has been successfully competing with the TNC in the production and marketing of fertilizers.

Along with nationalization, the governments of the liberated countries also seek other forms of strengthening their economic sovereignty, particularly by resorting to a complete prohibition against the functioning of foreign capital in their countries, or to increasing effective control over its activities. These ends are served above all by a policy of the selective admission of foreign private investments which is based on a restriction on (prohibition against) their influx into individual branches and a search for new forms of relationships with the TNC which exclude the retention by them of undivided control over their branches in the host countries. These branches are most often represented by the defense industry, communications, radio, television, the press, banks, and insurance companies. In a number of countries national business also has fully or partially reserved for it power engineering, the municipal economy, and the sphere of services (Ghana, India, Indonesia, Kenya, and others), wholesale and retail trade (Libya, Malaysia, Ghana, India, and others), and petrochemistry (Iran, and others).

In order to achieve a definite level of local control use is also made of a mandatory stage-by-stage disinvestment of foreign capital from specific spheres (enterprises) which acts—when it is brought to its conclusion—as a variety of nationalization. This kind of method is provided for, for example, by the laws of India and Nigeria.

In order to ensure effective control over the importation of capital and to protect national business against it many countries establish limits on the permissible stock participation by foreigners in local companies, or use a procedure of the preliminary verification and amending of the conditions for investment in special government departments. In addition, operations aimed at absorbing local companies by foreigners are frequently prohibited, and TNC investment proposals are "unpacked" in order for the country to obtain the necessary technology and equipment without the mandatory admission into it of

foreign capital (Pakistan, India, Algeria, Iran) and alternative possibilities are found for building "turn-key" enterprises with these enterprises subsequently handed over as the property of the client country. As a result, the practice of the establishment by multinational corporations in the developing countries of branches which are their complete property and under their control is gradually receding into the past. Thus, for example, the South African "Anglo-American Corporation" owns 100 percent of the shares in its Central African branch, but only 10 percent of the shares in its former branch in Zimbabwe.

Besides the strengthening of the national sovereignty of the Afro-Asian countries, this evolution is directly connected with the appearance in the contemporary world of an alternative source of capital and technology for development—the socialist commonwealth. As acknowledged by even such an apologist for the multinational corporations as R. Vernon, this has "undermined the monopoly of individual corporations and weakened their position at the negotiation table, "especially since the young states make direct use in these negotiations of the experience of equal and mutually advantageous cooperation with the socialist countries.

In addition, the exacerbation of the raw materials and energy crisis has sharply increased inter-imperialist competition for access to raw materials. Along with the former "giants" of the raw materials business, the market has seen the emergence of a whole galaxy of outsider corporations (including petroleum corporations), and the giants themselves have been increasingly compelled to choose between a complete loss of access to raw materials or a change in their former concession practices. In particular, it was precisely competition from outsiders that squeezed the "seven sisters"—the largest petroleum companies—out of the petroleum exploitation sphere in Libya, and in Zambia the government achieved a reorganization of the copper industry in national interests by making use of differences between the "Anglo-American Corporation" and the "Rhodesian Selection Trust."

Strictly speaking, the joint ownership form of company in which the partners share stock control is not a new one and is quite well known in world practice. However, in the past it was much more frequently utilized by the in exporting capital into the developed and not the developing states. In addition, foreign capital is now frequently compelled to accept the ownership no longer of a predominant share of stocks and a partnership in these companies not only with local private businessmen, but with the state sector. In 1971-1975, 180 American TNC had the smaller block of stocks in 28.1 percent of their foreign branches compared to 11.2 percent in 1950, while for 155 Western European TNC and 76 other TNC the figures were 42.1 percent and 9.8 percent and 74.2 percent and 16.4 percent, respectively. This kind of partnership is accepted on a wide scale by outsiders who in the past did not have access to the production of raw materials and to the manufacturing industry corporations. As for the state, it received the position of partner in such companies, as a rule, after the revision of old and unequal agreements in companies which had persisted from the epoch of colonialism.

A wave of mass revision of such agreements arose on the verge of the 1970's already and engulfed, primarily, the extracting industry and plantations. A decisive

retreat from the previous concession forms of operations began here. As a result, from 1968 through 1976 more than 40 agreements between the TNC and young states were revised in these branches, with the basic direction of these being the transformation of the state in the developing countries from a purely juridical into a directly economic partner of the corporations which not only possessed the right to a share of the final profits, but also participated in effective control over the operations of enterprises. Thus, the Ghana branch of the Anglo-American "British Aluminum" which had previously been 100 percent controlled by this corporation was transformed into a joint ownership society with 55 percent of the shares turned over to the government of Ghana. In Gabon the government took control of 60 percent of the shares of the iron ore branch "Somifer" which had previously belonged entirely to American and French capital, and so forth. Economically, this makes it possible for the national governments to control the course of the formation of rent and to receive a firmly stipulated and verified part of it. Various kinds of joint ownership companies are typical today also for newly created enterprises in the manufacturing industry and in the financial sphere where the same thing is occurring with industrial profits, interest, and premiums.

At the same time, agreements on industrial cooperation have become widespread in the manufacturing sectors, and in the sphere of technology exchange the number of license agreements has increased.

In accordance with the new types of agreements, the foreign corporation and the local government appropriate a specific amount for the development and exploitation of natural resources which legally remain the property of the developing country, and then they divide the output which has been obtained in stipulated proportions. In addition, the division rule may operate either until the time that the appropriations which have been allotted by the corporation have been reimbursed, or after their reimbursement, including in the form of firm supply guarantees or of reserving the foreign partner the right to the preferential (privileged) purchase of this output.

In a number of branches of the extracting industry and, first of all, in the petroleum branch as a result of the high risk and capital intensiveness of surveying and developing deposits the following contract is becoming conventional: the corporation may claim compensation for its initial appropriations and a contract for a share of the subsequent production only if the discovered deposit has industrial (profitable for extraction) reserves whose amount exceeds a stipulated minimum. In accordance with the managerial contract, a corporation usually takes upon itself the management (consultation) of some enterprise (which remains the property of the given developing country) in exchange for receiving an agreed-upon percentage of its turnover (profits).

In concrete reality all of these types of agreements frequently are interwoven with one another, or are combined with national regulative law (tax, foreign exchange) which gives additional protection to the interests of local businessmen and the state.

For example, the standard contract agreement of the Indonesian State Petroleum Company "Petramina" provides for compensating the expenditures of its partner with supplies of 40 percent of their joint production of crude petroleum; the ownership rights to the deposit and all of its equipment remains with the Indonesian side. In addition, the partner provides managerial assistance to the enterprise and has the right to the preferential purchase of 35 percent of the petroleum share which according to the agreement belongs to "Petramina." According to an agreement between the French company "Erap" and the Iranian National Petroleum Company the former takes upon itself the entire risk of geological surveying and may claim compensation for its expenditures in the form of deliveries of crude petroleum at privileged prices only if a deposit of a stipulated size is discovered. The agreement between the state company "Diminko" (Sierra Leone) and the "Sierra Leone Selection Trust" on assistance in managing diamond mines may serve as an example of a management contract. The partners of developing states in agreements of this kind are very frequently former corporation-concessionaires whose marketing networks, technology, and experience are needed by the nationalized enterprises.

It is not difficult to see that compared to the past, in agreements of this kind the foreign partner and the local side change as it were roles: the local side becomes the owner of the full totality of the resources and rent (profits), while the foreign corporation receives only a stipulated percentage.

Of course, depending upon the level of development and the economic policy of the various developing states and the concrete position on world markets of individual goods, the rate at which these new agreement terms has been spreading differs widely among countries and economic sectors. In particular, the least developed liberated countries are still compelled (or even prefer) to agree to direct investments of foreign capital, even though also caused by circumstances of a definite contribution to their development by the TNC. To a large extent this is a result of the fact that foreign private capital investments generally bypass them. Countries at the medium level of development usually prefer joint ownership companies and managerial contracts. Finally, the most developed young states (with the exclusion of those which for political reasons practice the attraction of foreign private capital) prefer disinvestment, contracts in the extracting industry and a "disintegrative" approach in the manufacturing industry, that is, the selection of only those elements from the total proposals made by the multinational corporations for which they feel a special need (technology and so forth).

The socialist orientation countries make a wide practice of the construction of "turn-key" facilities and take full ownership of them, and also of domestic regulative legislation. In these countries, regardless of their specific level of development, a principled policy is conducted with regard to foreign capital which, among other things, takes account of the experience of the first years of Soviet power, and this is what distinguishes them in this field from the entire mass of developing countries.

Regulative legislation is used by the developing countries in negotiations with the TNC as an instrument which permits them to obtain the best agreement terms which accord with the national interests. This applies above all to customs and tax legislation which regulates the importation and exportation of output and to the financial mode of operations of enterprises. For example, in accordance with the above-mentioned agreement with the firm "Erap," on the basis of its tax laws Iran collected from the shipments of petroleum to it a duty of 13.5 percent of the level of the quoted price of petroleum shipments sent to it.

National legislation in the field of the purchase of technology is being increasingly perfected. It has already been introduced in India, the Philippines, Ghana, Nepal, Nigeria, and Zambia and provides for the approval of licensing agreements in special state agencies and also for a prohibition against the use in contracts of especially stipulated forms of restrictions by the seller which promote monopolistic practices. Thus, the issues of industrial ownership connected with the conclusion of licensing agreements come under the laws of India, Nigeria, the Phillipines, and Zambia, "know-how" and technical assistance come under the laws of the same countries, industrial cooperation is under the laws of India, the transfer of technology by the headquarters of TNC to their local branches is under the laws of Nigeria and the Phillipines, and so forth.

The regulation of the operations of foreign banks is also developing: it is directed toward restricting them from opening their agencies in Afro-Asian countries and toward narrowing the sphere of their operations, especially deposit operations. At the beginning of the 1980s such restrictions were in effect in approximately 40 Afro-Asian countries; moreover, most of them regulated the opening of new divisions of multinational banks, and many introduced restrictions on their operations.

Of course, in and of themselves all of these new forms of stock and contract relations do not yet guarantee equal participation by the developing countries in the international division of labor. In most cases the TNC fill these juridical documents with a substantial number of reservations, and they manipulate assets and prices and taxes, while the representative of state agencies and local business in joint ownership companies frequently remain only nominal. As a result, even under these new conditions the final profits of the TNC may prove to be no smaller than in the past. For example, from 1971 through 1981 the influx of new direct capital investments into the countries of Africa came to 10.34 billion dollars, while the exportation of profits came to 23.92 billion dollars; in the countries of the Near East these indicators came to 0.05 and 48.62 billion dollars, and in the countries of Southeast Asia—18.05 and 27.26 billion dollars. This once again refutes the "latest" prescriptions mentioned at the beginning of the article for getting the young states out of their crisis situation.

However, despite this, one cannot but see the difference in the relationships of the old and new type between foreign capital and the young host states which consists in the fact that the latter are more and frequently obtaining access to the technical and financial potential of the TNC while at the same time retaining their national sovereignty over their national resources and economic operations. In addition, their income is no longer restricted to concession payments which were based on the profits that were created only in the

sphere of the production of raw materials and were computed out of direct connection with the norm and the mass of these profits. Through fiscal channels and new contract terms the developing countries, as was shown above, are now able to catch hold of not only all or almost all of the profits which are included in the export price of their raw materials, but also of a part of the additional revenues which are created at the subsequent stages of transportation and processing. As for the TNC the allotments which they receive within the framework of these new forms now depend to a much greater extent upon the specific work indicators of the enterprises with which they are connected.

There is no doubt that the shifting of a number of the commanding heights in their economies to the developing countries has substantially changed the economic and political climate in the young states.

True, it is the national bourgeoisie which makes haste to be the first to utilize the fruits of these changes. However, it is obvious that the successes in economic decolonization, industrialization, and the squeezing out of the TNC are most often connected with the strengthening and activity in these countries of the state sector in their economies and foreign trade. It is this sector which in recent years has been the stablizer of overall economic dynamics.

Of course, depending upon its socio-political orientation, the state machine may act both for the benefit as well as to the detriment of genuine national interests. However, as soon as one or another country has chosen the path of economic decolonization, "the struggle for it," Professor O. Adoyyade of Ibadan University notes, "can hardly be won without the extensive intervention of the state sector in all fields."

Correspondingly, in contemporary world relations the economies of the young states present themselves as economies which are largely state economies and regulated ones. This makes it possible for them to oppose the TNC more successfully, and to struggle more actively for a new world economic order.

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2959

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#### INTERNATIONAL

#### BOOK ON MODERN ISLAMIC POLITICAL THOUGHT REVIEWED

Moscow AZIYA I AFRIKA SEGODNYA in Russian No 2, Feb 84 pp 62-63

[Review by L. Yefimova, candidate of historical sciences, of book "Musul'manskiye Kontseptsii v Filosifii i Politike XIX-XX Vekov" [Moslem Conceptions in Philosophy and Politics in the XIX-XX Centuries] by M. T. Stepanyants, Main Editorial Board for Eastern Literature of the "Nauka" Publishing House, Moscow, 1982, 247 pages]

[Text] This monograph by the prominent Soviet specialist on the problems of Islam, Doctor of Philosophical Sciences M. T. Stepanyants, is devoted to a study of the problems connected with the modernization of Islam, and to an analysis of the class and political content of its basic ideals and conceptions in the fields of philosophy, economics, and politics.

The author traces the processes of the reinterpretation of the basic dogmas of the Moslem religion which began in the second half of the 19th century. She defines the content of the reformation as a new interpretation of a complex of religio-ethic, political, and economic problems which accord with the interests of the bourgeoisie. The periodization of the Moslem reformation which is proposed by the author takes account of the contribution which is made to it by Soviet scholars and by progressive foreign scholars.

The monograph provides a good demonstration of the fact that the reformation affected all the basic aspects of Islam which its ideologists cite as the basis not only of the worldview of Moslems, but also of their way of life.

For a wide circle of readers the greatest interest is to be found in the third and fourth chapters which are devoted to an analysis of the political (state-legal) and socio-economic conceptions of the Islamic reformation, and also of the orthodox doctrines which at the present time are exercising an important influence on the domestic and foreign policies of many of the states of Asia and Africa in which the population professes Islam.

A quite extensive treatment is given to such an important issue of the contemporary ideological struggle as the relationship between Moslem religion and ideology and bourgeois nationalism, and also to the history of Pan-Islamism and the attempts at its practical application in international relations. The author emphasizes the ambiguous class and political character

of the slogans "Islamic Solidarity." "For the peoples of the Moslem countries this means unity in the struggle against imperialism, for a strengthening of political and economic independence, and for the preservation of their cultural originality; for the national bourgeoisie it means above all solidarity with their class colleagues in the competitive struggle against foreign monopolies for their own profits; for the most conservative strata it means an ideological platform for the struggle against the forces of progress and against the ideals of socialism, and for isolation from the world democratic movement." (p 128)

The monograph brings to light a lack of unanimity of opinion among Moslem politicians and ideologists in almost all of the basic issues of the Islamic models of state and society. Despite the diversity of conceptions (pp 147-178), in essence, their ideal of a state is a bourgeois type democracy, although they attempt to prove that "Islamic democracy" for which they are striving is the highest type of democracy and different both from bourgeois and from socialist democracy.

M. T. Stepanyants also proves that all of the numerous and diverse Islamic socio-economic theories amount, in essence, to a defense of the capitalist system. In addition, it is observed in the book that while during the period of the struggle for national independence Moslem theoreticians developed primarily state-legal conceptions, TNC after independence was won socio-economic doctrines were placed at the center of attention, since now the chief task of the national liberation struggle is being formulated as the achievement of economic independence. (p 179)

An important place is assigned in the book to an investigation of the models of "Islamic socialism" which are widespread in the contemporary world. Demonstrating that they represent a variety of bourgeois and petty bourgeois "socialist theories," the author at the same time calls upon his readers not to forget that "today also Islamic slogans are capable of serving the anti-imperialist struggle, and of uniting national forces for the strengthening of political and economic sovereignty." (p 222)

The book is of interest not only for the specialist, but also for a wide circle of readers.

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2959

CSO: 1807/147

#### INTERNATIONAL

NIGERIA AS EXAMPLE OF RISE OF AFRO-ASIAN BOURGEOISIE AS RULING CLASS

Moscow AZIYA I AFRIKA SEGODNYA in Russian No 2, Feb 84 pp 10-13

[Article by V. Chernovskaya, candidate of historical sciences: "NIGERIA: Entrepreneurial Organizations in Political Life"]

[Text] The Asian and African countries proceeding along the capitalist path have undergone major socioeconomic changes in the last two decades, including the broadening of the sphere of native capitalist enterprise and the transformation of the bourgeoisie into the ruling social class. Entrepreneurial associations have become an effective instrument of the influence of discrete segments of the bourgeoisie on many aspects of economic, social and political life.

With regard to imperialist countries, such associations usually are termed "nonparty class organizations of capitalists" embodying "a distinctive concretion of the power of the state with the power of the monopolies into an integrated machinery of rule and oppression." /1/

The undivided rule of the monopolies in the entrepreneurial associations of the countries of "peripheral" capitalism represents a trend that manifests itself in certain most developed countries—India, Pakistan, the Philippines and some others. But there too monopoly capital, in view of its insufficient power (from the standpoint of the existing bourgeois society), strives to influence chiefly the direction "in which society should be guided by its dominant government."/2/ In other words, in societies in which the process to class differentiation is incomplete, which lack "a distinct economically and politically dominant class,"/3/ the authority and influence of national associations of businessmen on the government are weaker than in countries in which state—monopoly capital has consolidated itself and is dominant.

The conditions of historical development of every individual country that has liberated itself have placed their imprint on enterpreneurial associations. This refers to the time of their establishment, their role and place in the state, their relations with the local bureaucracy, etc. Of course, within the

space of this article it is not possible to analyze the activities of capitalist associations in the new Asian and African countries in which they exist. In this connection, it is expedient, in our opinion, to analyze the entrepreneurial movement in selected countries where its manifestations are particularly graphic. For Tropical Africa such a country may be exemplified by Nigeria./4/ As in no other country of Tropical Africa, in Nigeria many trends of economic, social and political development characteristic of that entire region are traceable with special distinctness.

Since the establishment of independence the development of capitalism in Nigeria has been fairly extensive. At the same time the economically most influential groups based on the growing private sector have also improved their social and political standing. The aim of the present article is to demonstrate the participation of business organizations in Nigeria's political life, bearing in mind that similar associations, with one or another difference of a particular order, exist in the other African countries African countries proceeding on the capitalist path. But the problem of the participation of entrepreneurial associations in politics is a multi-faceted one. Without pretending to illuminate all of its aspects, the present writer is chiefly focusing on uncovering the scale, forms and extent of the influence of the principal associations of capitalists on the activities of legislative and executive ruling bodies.

On the eve of the proclamation of independence in Nigeria the most influential stratum of native business was the tradesmen, who specialized in purchases of agricultural raw materials as well as in import-export operations and were closely linked to foreign capital. Some of them later formed an elite which, availing itself of government support, pretended to independence and equality in business relations with its foreign partners. Organizations of businessmen (chambers of commerce and, as an outgrowth, entrepreneurial associations) in striving to "Africanize" business in the country formed a united front, but on the whole it was still competition that predetermined their separate existence.

The gap between the particular socio-economic policies of the government and the expectations of discrete groupings of entrepreneurs inevitably bred discontent among them. However, the unequal evolution according to "class quality" of various segments of the bourgeoisie weakened the foundation on which was based the might of its organizations—general class interest within the framework of competition and striving for profits.

The (economically and politically) most influential stratum of the Nigerian bourgeoisie began to arise since the proclamation of independence. There is reason to believe that in the future native monopolies will arise from among the African companies with subtantial investments in trade, finance and industry. But as for the present-day Nigerian millionaire, who has ascended his "ladder of success" only in the last 20 years, he retains many of the features of the businessman of the era of primitive accumulation: in the entrepreneurial movement he is at loggerheads with his competitors and in daily life he is at loggerheads with the society, while in politics he tends

to lean on "his party," openly financing and sometimes even heading its electoral campaign.

For the most part, the millionaires of the first generation, big Nigerian businessmen distinguish themselves by energy and dynamism in achieving their goals. Some of them are drawn into the orbit of international capital and acquire "cosmopolitan" traits. Joint ownership and management of leading companies has become one of the principal ways of fusion between the native business elite and the monopoly bourgeoisie of the West.

Of course, it would be incorrect to claim that the Nigerian business elite has completely fused with the Western monopoly bourgeoisie. On the whole, despite the presence of elements of spiritual and business affinity, big business has been objectively reflecting the development of native capitalism. One impediment to the process of this fusion has clearly been the precarious position of most Nigerian entrepreneurs in the foreign-controlled companies. Hence, while calling for cooperation with foreign companies, many of them have at the same time been insisting on the introduction of protectionist laws, the provision of tax deductions, etc. This may be illustrated by the business and political career of T. Braithwaite, an influential Nigerian businessman. A longtime partner and co-owner of an enterprise financed by foreign capital (African Alliance Insurance Company), he founded in 1978 an organization—sometimes termed "the youth wing" of the National Party of Nigeria (NPN)—whose program includes a demand for "putting an end to the mixed economy" on the basis of "full protectionism."

The strategy and tactics of the pursuit of profit within the framework of the mixed economy have prompted big entrepreneurs to participate in the work of the Nigerian Association of Chambers of Commerce, Industry and Agriculture (NACCIA), established in 1960 on the initiative of the government. Through the mediation of that association they have been obtaining needed government support while at the same time being enabled to cooperate with Western partners in joint chambers of commerce and industry intended to enrich the experience of native businessmen in carrying out industrial projects. The originators of the most influential joint business associations—the Nigerian—American Chamber of Trade, the Nigerian—British Chamber of Commerce (1977) and the Anglo-African Trade Association (1979)—were the following men of wealth: [M. Benk-Entoni], S. O. Ogunbanbo, F. A. Nzeribe, [G. Fadzhemirokun] and others.

In these joint chambers of commerce and industry Nigerian business was represented by individual companies and entrepreneurial associations. For example, the current president of the NACCIA, A. [Lauson] represented the interests of the business circles of Lagos at the Nigerian-British Chamber of Commerce, while G. [Khamza] represented the interests of the Organization of Nigerian Businessmen and, until recently, [G. Fadzhemirokun] represented the Association of Nigerian Chambers of Commerce.

The interweaving of business interests—at present a big businessman who heads 10 or 12 companies is no longer a rarity—has prompted influential business organizations to make certain common demands. Adopting toward the government

the tactic of "support, encourage and exhort," they succeeded, for example, in getting more stringent import controls introduced in May 1982, and in August of the same year three associations, including the NACCIA, undertook a joint attempt to pressure the ministry of foreign affairs into curtailing the system of entry quotas for expatriates.

At the same time, the struggle to "procure" own capital has been holding back "collectivist orientations" among big businessmen. Many of them believed that every individual company should act as it wishes, adopting the formula of M. Okpara, the former premier of the Eastern Region, who in one of his speeches stressed that "Pragmatic socialism is, as I see it, a system under which everyone has the right to do business." But making coordinated demands on state agencies has been hampered by the individualist tendencies of capitalists. As a result, the growth in the authority and influence of the entrepreneurial associations has been due not so much to the might of big business as to the fusion of the entrepreneurial elite with the government and party bureaucracy, many of whose representatives invested part of their legal (and illegal) incomes, thus becoming businessmen themselves. This has also been done (despite governmental prohibitions) by high officials, senior army officers and managers of government-owned enterprises.

Owing to the weakness of large-scale private enterprise, the bureaucratic bourgeoisie has not infrequently taken the initiative in making demands on the state. But the extent to which these demands took into account the interests of various segments of "cumulative capital" varied depending on the proximity of these or those economic forces to the trough of governmental power. As a result, the tasks which the entrepreneurial movement posed reflected, as it were, the relationship between the island of common interests of the bourgeoisie and the sea of particular and conflicting individual claims of the capitalists.

The mass base of the Nigerian entrepreneurial associations has been the little, petty and middle proprietors whose interests often diverged from those of the big wheels of business. The average African businessman (let alone the petty businessman) displays conservatism toward the reception of new ideas, as noted by P. Schatz who carried out a survey of 269 owners of various enterprises and companies employing upward of 10 persons each. These entrepreneurs usually founded their "business" in the areas settled by their own ethnic group on displaying a "kulak"-like fear of risktaking. They are distinguished by their suspiciousness: they prefer to preserve a small income rather than augment it at the risk of losing their capital by having a dishonest partner. In such a situation the pursuit of profit was limited to the sphere of individual activity of the entrepreneur, whom the inertia of patriarchal mentality and the fear of finding himself worse-off than his competitor prompted to look for support in the associations founded on the traditional basis. To protect themselves against the "aggressive" Ibo, the Yoruba entrepreneurs hastened to establish their own organizations, while the Hausa businessmen united themselves in order to protect "northern interests."/5/

The social and interpersonal relations and bonds existing since time immemorial in the polyethnic countries in which the bourgeoisie harbors a considerable potential for growth owing to the disintegration of the bottom structures, occupy a special place, largely determining the agreements and conflicts among different groups of capitalists. In Nigeria, as they joined the circle of capitalist interests, the carriers of traditional ties involved broad strata of petty and middle proprietors, accustomed to market-place conditions, in mass activity. The participation of comparatively broad strata of the capitalist class in the entrepreneurial movement became a means of consolidating the native bourgeoisie and as a result of assuring its increasingly broader participation in political life, to the extent to which "politics means...determining the forms, tasks and nature of activity of the state." /6/

Since the economic and political sympathies and antipathies of the enterprise and company owners joining the entrepreneurial associations were largely determined by their national-ethnic origin and religious affiliation, the appeals of business leaders for traditional solidarity for political purposes have at times alleviated the intra-class contradictions, and ensuring the consideration of clan demands and the utilization of state economic policies in the interests of particular groups of the bourgeoisie.

Organizationally considered, the foundations of the present structure of the entrepreneurial movement was laid by the state. In accordance with the decision of the government on the representation of private companies, firms and enterprises in corresponding sections of the NACCIA, the various business associations and groups have been brought closer to each other. atmosphere of enmity and mistrust within the bourgeoisie, as refracted through the system of ethno-regional, regional, etc. relations at the political level, had in the early 1980s prepared the soil for the union of four parties whose leaders reflected the "interests, fears and ambitions" of the dominant groups of Nigerian business. In the summer of 1981 the Nigerian People's Party (NPP) withdrew from its ruling coalition with the National Party of Nigeria and in December of the same year, at a conference in Jos, was laid the foundation of the "Alliance of the Four," whose aim was to overturn the government of Sh. Shagari in the parliamentary elections in 1983. The formation of the Alliance of Progressive Parties /7/ was prepared by the struggle of the "leaders" for the pragmatic interests of discrete groups of the bourgeoisie dissatisfied with the government's industrialization policy which, in their opinion, benefited only the Hausa-Fulani oligarchy which had captured "strategic positions" in the government. The inseparability of the two forms of power distinguished by K. Marx--economic ("the power of ownership") and political-left the leadership of the parties of the opposition bloc in the hands of the big capitalists.

The entrepreneur-party boss introduced into political life the "qualities" of the businessman: adventurism, authoritarian methods of management, businesslike bookkeeping. The businessmen managed the parties as if they were their own companies, encouraging relations of dependence and paternalism in the organization. One of the former leaders of the People's Redemption Party

(PRP), whose members included quite a few petty tradesmen and middle-level entrepreneurs, admitted that its rank-and-file members usually did not read newspapers or periodicals, relying in their judgments of the government's performance on the party's senior functionaries.

The leading posts in the parties often were bought and sold among individual capitalists. If the terms of the "contract" did not suit a millionaire, out of considerations of personal advantage he would transfer his allegiance to another party. The frequent movements of members among parties demonstrate, in the opinion of certain observers, that ideology is not a potential force in Nigerian politics. However, the transition from one party to another was no great evil in the eyes of the politicians-capitalists. The leader of the Great Nigeria People's Party (GNPP), the multi-millionaire V. Ibrahim, in the opiniong of people who knew him well, handled party matters from the standpoint of a businessman, liked to repeat that politics is a gamble and the entrepreneurial spirit is just as valuable in politics as in any business transaction.

In questions of social policy Nigerian businessmen adhered to just one tactic-that of opposing any attempt to harm their interests. The absence of a clear program for economic demands was offset by criticism directed toward the NPN leadership. Due to this, a leader was not afraid to "overdo it": a staunch core existed in the party acting under the slogan "The leader is always right." It is indicative that the "Alliance of the Four" offered no alternative for national development differing substantially from the program of the ruling NPN. Judging from the declarations of the opposition parties, national development should remain within the framework of "pragmatic socialism" oriented (though to a smaller extent) toward assistance from the Western, chiefly British, partner. On the other hand, the negative aspects of the activities of the political leadership of the "party of the rich" were severely criticized. O. Avolovo, the leader of the United Party of Nigeria (UPN), faulted the ruling-party elite for its "succession complex" and encouragement of criminal business. V. Ibrahim, another "architect" of the Alliance in the opinion of certain observers, attacked the "Bareva faction" for capturing leading positions in the parliament and government for the sake of amassing personal riches, which however did not prevent him later from writing in February 1983 a letter to the leader of the ruling party asking about the possibility of a merger between the GNPP and the NPN in the coming elections. Similar foresight was shown by another participant in the Alliance, Imodu, who had proposed reunification with the faction of the PRP that cooperated with the administration of Sh. Shagari. It was in this connection, properly speaking, that a schism occurred in that party in 1982.

By virtue of its standing, which enabled it to consider various social situations from a position of the ruling, and in many relationships better informed class, the bourgeoisie was capable of rapidly recognizing its real interests. Certain Western authors have thought that the isolation of the interests of the business elite that occurred in the late 1970s was accompanied by the readiness to preserve the multi-party system as the optimal variant safeguarding the positions of various entrepreneur

groups. The concentration of a disproportionately large part of budget revenues in the hands of the federal administration that occurred in 1979 when power was assumed by the Nigerian National Party, complicated the relations between the bourgeoisie of the ethnic regions and the government. The conflict within the ruling party that arose in this connection and the establishment of the Alliance became important factors in the political development of Nigeria on the eve of the next elections to the parliament and the state assemblies.

Thus, objective processes of economic growth and the rise on this basis of economic motives prompting capitalists to unify themselves, turned the entrepreneurial associations of Nigeria into centers without which problems linked to economic development, as well as social question, could not be resolved. Under the direct pressure of these "nonpartisan centers" of the bourgeoisie, since independence was proclaimed, the government has issued decrees granting specific tax, customs-duty and licensing discounts to the bourgeoisie. At the same time, the preserved "values" of individual entrepreneurship and contradictions of a regional-ethnic nature and hence also a far-reaching fragmentation of business organizations complicated representing them enabled the state to regulate private enterprise in the interests of the entire national bourgeoisie and thereby to restrict to a degree or another the economic appetities of its discrete segments.

This may look like a contradiction considering that the same phenomena of the Nigerian reality have given birth to conflicting tendencies—the rise of the political influence of the entrepreneurial associations, on the one hand, and its weakness on the other. Actually this contradiction is of a dialectical rather than formal nature. In the former case, the "nonpartisan centers of capitalists" reflected the class self-awareness of the bourgeoisie as embodied in its organizational ties—for example, the realization that certain general conditions of economic life of society are advantageous to the entire capitalist class, that is, demonstrate its strength. In the latter case, the organizational side of the main economic interest of the capitalists—the profit motive—reflected individual, group, clan and national—ethnic aspirations, bordering on destructive competition, within the bourgeoisie, that is, its weakness.

Being detrimental to the pragmatic interests of the business elite, despite its solid political weight, the "resultant" of government regulation prompted big businessmen to explore informal ways of influencing the executive and legislative seats of power. During the era of civilian government, these informal relations duplicated the mechanism of the parliamentary system of relations between entrepreneurs and the state, and ensure the practice of "substitution" under which ministers became businessmen and capitalists members of the government. Combined with the principle of promoting ethnic and party solidarity, this practice limited initiative within the mechanism of executive power to a handful of individuals concerned with meeting the private needs of big proprietors.

In developing this informal system of connections, the big bourgeoisie strengthened its influence on the political process. The channels along which

entrepreneurs and their organizations exert pressure on the government are similar in all the liberated countries proceeding along the capitalist path. Primarily, this refers to influencing legislative and administrative actions by means of memorandums and announcements initiated by leading associations of entrepreneurs or influential individual businessmen.

A special variety of informal contacts between the leaders of organized business and the bearers of state power is the practice of high-level business conferences and consultations. There even exists a special procedure for conducting talks of this kind: the president of the national business organization can expect to be received by the head of the state or government; the head of a branch association—by a minister, and so on.

Another channel along which business effectively intervenes in the administration of the state is represented by advisory commissions, committees and working groups which enlist big industrialists and bankers in the capacity of advisers and consultants. In Nigeria, businessmen first obtained broad access to the competent bodies handling national planning while the second military government had been in power, at which time representatives of chambers of trade and commerce and the Association of Nigerian Industrialists were, along with leaders of the Nigerian Economic Society and the National Council of Local Businessmen, and along with prominent individual businessmen as well, included in the National Advisory Economic Council.

But the desire for unity within the ranks of the capitalists was not aroused under the influence of economic aspirations alone. To a large extent, ideological motives served as a momentum for consolidation. The merciless competitive strugle among ethno-regional groups of capitalist during the first decade of Nigeria's independence accelerated the process of the exacerbation of internal political contradictions which culminated in the bloody civil war. And at the beginning of the 1980s the growing economic and political influence of certain ethnic groups of the bourgeoisie accounted for the support provided by certain entrepreneurial associations for the movement for the reorganization of the states.

At the present stage the general development level of Nigerian capitalism has not yet resulted in completing the economic and political consolidation of the national bourgeoisie. Hence, the actual extent of the intervention of organized business into state policy is limited in comparison with what is happening in the economically developed Western countries.

It can be assumed that, on resorting to countless ways of influencing the government and affairs of state, the entrepreneurial associations will be able to markedly constrict the field of maneuver of the political elite, which has so far retained some autonomy of action because of the insufficient socioeconomic and political maturity of the basic classes of the contemporary type. But given the inevitable growth of social and class tensions linked to the exacerbation of the economic and political contradictions of capitalist development, the activities of the entrepreneurial associations will increasingly tend to support authoritarian methods of rule and the curtailment of democratic freedoms, that is, they will support measures directed against the working class and its occupational and political organizations.

## **FOOTNOTES**

- 1. R. P. Fedorov, "Anonimnaya vlast'. Klassovyye organizatsii monopoliticheskogo kapitala v FRG" [Anonymous Power. Class Organizations of Monopoly Capital in the FRG], Moscow, 1970, pp 184-185.
- 2. "Bor'ba idey v sovremennom mire" [The Contest of Ideas in the Contemporary World], Vol 3, Moscow, 1978, p 132.
- 3. "Razvivayushchiyesya strany: zakonomernosti, tendentsii, perspektivy" [The Developing Countries: Patterns, Trends, Perspectives], Moscow, 1974, p 333.
- 4. The present article was prepared prior to the overthrow of the government at the end of December 1983.
- 5. S. P. Schatz, "Nigerian Capitalism," London, 1977, pp 76, 79, 87.
- 6. V. I. Lenin, "Complete Collected Works," Vol 33, p 340.
- 7. The parties entering in the Alliance of Progressive Parties were: the United Party of Nigeria (UPN), the Nigeria People's Party (NPP), the Great Nigeria People's Party (GNPP), and the faction led by Imodu which broke away from the People's Redemption Party (PRP).

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1386

CSO: 1807/147-a

## INTERNATIONAL

COMMENTATOR DEALS WITH QUESTION ON !LIMITED SOVEREIGNTY DOCTRINE!

Moscow NEW TIMES in English No 15, Apr 84 p 31

[Text] Not long ago one of our professors in a lecture on Soviet foreign policy said that it is based on "the doctrine of limited sovereignty." What is this doctrine? Who proclaimed it and when? What does it mean? I have consulted various reference books but have failed to find an answer.

Marie Arnault, student, Montpellier, France

Our staff writer Victor Tsoppi replies:

I must confess that the erudition of your esteemed professor is beyond me. However, I do know something about Soviet foreign policy, and there are some relevant points I should like to make.

Let us first take the definition of sovereignty given in such an authoritative reference source as Larousse. It defines sovereignty as "a quality of political power of a state or organization not subject to control by another state or organization."

Now let us look back and see by whom, when, how and why this inalienable prerogative of the state was first limited. The Portuguese, those trail blazers of colonialism, sailed their flimsy ships to far corners of the earth to establish Portuguese sovereignty over Asian, African and South American peoples who had until then enjoyed sovereignty over the lands they lived in. The Spanish conquistadors wiped out entire nations together with their sovereignty. Britain's acquisitions were more numerous than there was room for gems in the British crown, and one of the brightest gems of civilization-India—was brought under the sovereign rule of the British viceroy. In 1830 France, the land of "liberty, equality and fraternity," landed an armed force on the shores of Algeria's Sidi-Ferruch Bay and proclaimed its sovereignty over a country whose national sovereignty had existed long before Paris was founded. For 132 years after that the uninvited overseas sovereign oppressed and plundered a proud nation, trampled its national dignity and its right to sovereign existence, and taught Arab and Berber children that their ancestors were "fair-haired, blue-eyed Gauls." For "Algeria was France." And the sovereign and mighty United States sprang up on soil richly fertilized with the ashes of the Indians.

But enough of excursions into history. I need not "discover America" for an educated person like yourself. The fact remains, however, that the "doctrine of limited sovereignty" antedates capitalism and has been practised by it to the full. And not only in the context of colonial conquests but also of the endless wars waged by sovereign capitalist states against one another.

That is how it used to be. But then something happened that neither crowned heads nor republican presidents could have foreseen. The revolution took place in Russia and a state came into being that proclaimed the inalienable right of all peoples to self-

determination, in other words, to national state sovereignty. Poland and Finland, which previously had been ruled by the Emperor of Russia, chose to exercise that right. The rest of the peoples of our country saw the guarantee of their sovereign statehood in the formation of a union of equals. They joined in a state that for the first time in the history of state organization and the history of the peoples brought the two into full harmony and became the world's first sovereign people's state.

I assume that you know what it all cost us. You may have heard that when our state had barely emerged it was assailed by the combined forces of a capitalist coalition that took in Britain, France, the United States, Poland barely on its feet as a sovereign state, and Japan. The Soviets upheld their right to sovereignty. A period of construction followed, but only to be cut short by another invasion.

This time it was nazi Germany. Hitler attacked the Soviet Union after France and Britain had presented him with sovereign Czechoslovakia and betraved sovereign Poland, and after the swastika flag had been raised over the occupied capital of sovereign France. We did not give Hitler the Lebensraum he had come for Twenty million Soviet citizens died fighting to prevent the nazis from trampting our sovereignty. The victory over nazi Germany changed the face of Europe. A community of sovereign socialist nations came into being. The sovereignty of the Western countries. France included, that had been overrun by the nazis was restored.

World War II was the greatest and most terrible battle in history between sovereignty and the doctrine of its abolition. The confrontation of these two by no means abstract concepts goes on today as well, though in different forms and in a different historical context. When General de Gaulle took France out of the NATO military structure he saved his country from "supra-national sovereignty," in other words, American diktat.

The limiting of sovereignty is the standard practice with imperialism. Take the long and bloody war in Vietnam, the fascist putsch in Chile, the brazen interference in the internal affairs of socialist Poland, the inglorious occupation of Granada, the American mines in Nicaraguan ports, the shelling of Lebanese towns and villages by the battleship New Jersey, or the undeclared but very real war against the Democratic Republic of Afghanistan. To this horrendous list of criminal encroachments on peoples' sovereignty should be added the deployment of the U.S. nuclear missiles in a number of West European countries in defiance of the will of their peoples, who are in effect made nuclear hostages to the United States. Reagan's America might perhaps be satisfied if it succeeded in establishing its super-sovereignty over all of mankind. After all, there is not a corner of the world today that Washington has not included in the sphere of its "vital interests."

We in the Soviet Union and the other countries of the socialist community live by an altogether different doctrine—that of the inviolability of the sovereignty of all countries from the smallest to the biggest, the doctrine of mutual trust and co-operation among independent states and peoples, of struggle against wars. For in our time war (and the danger of war emanating from the White House is becoming ever more tangible) is capable of turning the entire planet in a matter of moments into one vast graveyard where death reigns sovereign.

I trust that in your search for the truth you will be guided by what Larousse terms the "sovereignty of reason."

CSO: 1812/180

NATIONAL

GOSPLAN AGROINDUSTRIAL CHIEF ON ORGANIZATION OF AGROINDUSTRIAL COMPLEX

Moscow PRAVDA in Russian 16 Mar 84 p 2

[Article by G. Rudenko, chief, Agroindustrial Complex Department, USSR Gosplan, and candidate of economic sciences: "Agroindustry: Stages of the Plan--Problems and Opinions"]

[Text] Our agriculture took a significant new step forward after the May (1982) Plenum of the CPSU Central Committee. Last year, the country's kolkhozes and sovkhozes increased product output. The sale of milk, meat, potatoes, fruit and vegetables increased noticeably. Let us take a basic indicator: labor productivity. It increased 6 percent. Farm profit consisted of almost 17 billion rubles. There are also good changes in the countryside's social aspect. Thirty-three million square meters for housing, school space for a half-million students, and many other projects have been introduced.

We can see that the measures adopted by the May and subsequent plenums of the CPSU Central Committee to consolidate and develop an agroindustrial complex (APK) have an effect and produce significant results.

New administrative agencies have been established centrally and locally. They combine the partners' efforts to achieve better indicators for the lowest labor and capital input. The councils of many rayon agroindustrial associations (RAPO's), such as the Glazunovskiy of Orel Oblast, the Yershovskiy of Saratov Oblast, and the Novomoskovskiy of Tula Oblast, are actively consolidating economically sound administrative methods. More favorable conditions are being developed for managers and farm specialists to show initiative and also for service and processing enterprises. The work of the council of the Belgorod Oblast Agroindustrial Association is notable in this respect.

In short, the first steps are reassuring. But today it is necessary to go further: "coordination" among the subunits of an agroindustrial complex must become even closer and orientation toward high achievements even more precise. For this it is necessary to continue to improve the complex's structure and to develop an effective mechanism for interaction among the integral parts. Let us say frankly that it is a hard task. Changes in planning particularly will serve to solve it. They consist of a closer combination of sectorial and intersectorial principles. In accordance with the Food Program, an APK is separated into an independent planning project; it is viewed as a single unit.

The importance of this step can hardly be exaggerated. It has so far led to better balancing of the development of a complex's basic parts. It is mainly because of sounder distribution of capital investments and resources. They are sent first to the sections whose lagging is hindering the growth in agroindustrial production. For this purpose, the rights of regional agencies are being broadened. For example, the councils of ministers of the union republics are authorized to redistribute up to 15 percent of capital investment and resource limits among a complex's sectors.

The material-technical supply plans for kolkhozes, sovkhozes and other parts of a complex are now considered a constituent part of the 5-year and yearly plans of the country, regions and ministries. They are worked out on the basis of the farms' orders. These orders, no matter which APK organization they come from, are first reviewed in rayon, oblast, kray, and republic (ASSR) agroindustrial associations. Thus many disproportions in the development of the sectors providing their resources are smoothed out, and a more efficient structure of an agroindustrial complex is achieved.

But there is a second task. It is the development of a reliable mechanism for interaction of the parts constituting a complex. It is just as complicated. And economic levers also help to work it out. They are granted by the decree of the CPSU Central Committee and the USSR Council of Ministers on the improvement of agriculture's economic relations with other sectors.

A great deal is being done to protect planning from subjectivism, about which kolkhoz and sovkhoz managers complain especially often. It is prohibited to impose assignments "from above" that have not been specified by directive agencies. For example, the dimensions of sowing areas, crop capacity, amount of livestock, its productivity, and the output volume of products are determined directly at the farms.

However, the favorable conditions are not utilized everywhere. For example, in many regions of the Turkmen SSR, as an inspection has shown, they continue to dictate to kolkhozes and sovkhozes the dimensions of sowing a particular crop and the number of cattle. The enterprises of the Agricultural Equipment Association and the Agricultural Chemical Association and land reclamation specialists plan the work and services without taking into account the needs of their customers. The RAPO managers and specialists must first correct the situation in accordance with the requirements of the Food Program. But some of them have not studied thoroughly the normative documents on planning and on interrelations among partners; they conduct business in the old way. Such facts are encountered in some other republics.

Life has shown that the organizational and economic convergence of APK parts is a reliable, timely, and effective measure. But this work must be improved in the future. Let us take at least the planned figures on the limits of capital investments and other major indicators. It is apparently more advisable to give them to union and autonomous republics, krays, and oblasts without breaking them down according to sectors. The regional agencies are better suited for that job, since they know the local situation and the features of their own APK in greater detail.

The suggestions "from below" make it possible to utilize released capital more effectively. This would also contribute to an increase in the intersectorial balancing of plan projects. So far in the development of complex sectors, there are still manifestations of departmental feeling. The partners, as practice has shown, first take their own interests into consideration and not those of the kolkhozes and sovkhozes. This results in, for example, "gigantism" and the isolation of many processing enterprises from the fields and farms, and in a number of cases, the specialization of service organizations does not meet the needs of agriculture. This also results in the development and output of machines, equipment, and instruments more "convenient" and profitable for a department than for those for whom this production is intended.

The fears that with planning "from below" everything useful, valuable, and well-planned in the ministries would not be taken into account are scarcely well grounded. It is in fact a matter of a preliminary stage of developing a plan draft. If the local suggestions do not satisfy the state's interests, they can be corrected at the USSR Gosplan jointly with representatives of the interested parties.

Incidentally, steps are already being taken in this direction. A Lithuanian SSR agrocomplex receives capital investment and construction and installation work limits without a breakdown according to sectors. The rights of union republics and local agencies in developing and implementing plans are being noticeably broadened.

An experiment conducted in the Georgian and Estonian SSR's in accordance with a decision of the CPSU Central Committee Politburo has particular significance for the development of an agroindustrial complex. Three republic ministries (the Ministry of Agriculture, the Ministry of Land Reclamation and Water Resources and the Agricultural Equipment Association) are consolidated in these places. The administrative structure is simplified, the staff is reduced, and a high degree of balancing in the development of subunits is ensured. All of this has a positive effect on production output.

The search is continuing for the best forms of organization for an APK, its structure, administration, planning, and economic mechanism. It is important to utilize experience that has proven itself and to introduce what increases production efficiency. It is now possible to improve, for example, the material-technical supply of kolkhozes and sovkhozes. Deliveries of resources to them increased in recent years. Many things have stopped being in short supply. Apparently it is necessary to change from distributing easily available equipment, materials, and assets to selling them as usual.

And it appears that planning here should be improved. Orders for resources are coming from farms. But because of the fear that they might be cut off, they ask for more than they need. And they often act the same at subsequent administrative "levels" for the same reason. As a result, the sum total ordered turns out to be higher than the real needs. The ministries that allot resources are often not able to meet these demands. Consequently, they choose what can be produced with the least effort. The output of products necessary

and useful for agriculture but not profitable for a department is most often evaded, for this requires a readjustment of production. The result: Farms do not receive what they need.

Some specialists think that it is better to set the sum total of resources in money and to channel it to regional administrative agencies. They themselves will find the structure of material-technical assets (tractors, combines, and transports) that is best for given conditions. The USSR Gosplan would then receive a more accurate idea of farms' needs and would be able to direct the work of resource-alloting sectors toward meeting them.

The designing, formation, and development of an agroindustrial complex forces many to take a new approach. The introduction of a normative method of planning capital investments and material resources in agriculture is forthcoming. The development of a system of intercoordinated norms (relative capital investments, output-capital ratio, and demand for various forms of material assets, etc.) is about to start.

Improvement of the planning system and of the entire economic mechanism of an agroindustrial complex is continuing. An increase in the efficiency of utilization of resources, an acceleration of the growth of the product output of fields and farms, and an improvement in product quality will be forthcoming through common efforts.

12478 CSO: 1800/338

#### NATIONAL

# BOOK ON PARTY CADRES POLICY REVIEWED

Moscow PARTIYNAYA ZHIZN' in Russian No 3, Feb 84 (signed to press 24 Jan 84) pp 78-79

[Review by Doctor of Historical Sciences S. Nazarov, of the book, "Problemy kadrovoy politiki KPSS" [Problems of the CPSU's Cadres Policy] by Ye. Z. Razumov, Izdatel'stvo politicheskoy literatury]

[Text] Cadres policy is a powerful lever in the party's hands, by means of which it influences the course of social development. In present-day conditions, when the agenda includes questions of improving the whole sphere of economic guidance-management, planning, the economic mechanism, the strengthening of discipline and organization, and improvement of the efficiency and quality of work, increased demands are inevitably placed on personnel in the party and state apparatus and at all levels of the national economy.

Faced with complex and important tasks, our party, relying on Leninist principles, works persistently to improve work with cadres and endeavors to have all critical sectors staffed with people who are politically mature, competent and enterprising, and who possess organizational abilities and a sense of the new, without which it is impossible to successfully manage present-day production in our times. At the Central Committee's December (1983) plenum, Comrade Yu. V. Andropov, general secretary of the CPSU Central Committee, stressed the tremendous importance of carefully selecting cadres in terms of their business and political qualities, and of the training of true production organizers and enterprising, capable employees.

Carrying out the instructions of the CPSU Central Committee, party committees and organizations have been doing extensive and painstaking work on the selection, assignment and training of cadres. Ye. Z. Razumov's book, "Problemy kadrovoy politiki KPSS" [Problems of the CPSU's Cadres Policy], which has been published by Izdatel'stvo politicheskoy literatury, acquaints the reader with both accumulated experience and ways to improve this effort.

Cadres policy is not something that is frozen and given once and for all. Depending on the actual content of the party's political course and the newness, amount and complexity of the tasks that society is working to accomplish, cadres policy, while remaining true to its basic principles, is creatively developed at every stage. Every new step in improving socialism simultaneously means a new stage in the political, professional and moral development of

cadres. Today the dialectical connection between the party's leading role and its cadres policy is more evident than ever before. It is precisely cadres and their world view, degree of political devotion, professional and moral maturity, and knowledge and experience that make party leadership purposeful, effective and authoritative.

The book examines in detail the problem of raising the demands placed on cadres' political, business and moral qualities, and it interprets the essence of the criteria for evaluating the fitness of employees and the results of their labor in conditions of developed socialism, when production and all of social life are growing increasingly complex under the influence of the scientific and technical revolution. Nowadays the synthesizing criterion for an objective evaluation of cadres is their ability to personally combine party spirit with profound competence and discipline with initiative and a creative approach to their task, as well as their ability to consider the sociopolitical and educational aspects of their decisions, to be sensitive toward people, and to serve as examples in work and everyday life.

The documents of recent congresses and the decisions of the CPSU Central Committee on cadres questions formulate the basic requirements that character—ize the present—day executive's moral character. The employee to whom the leadership of the people has been entrusted is a principled person who is demanding toward himself and his subordinates; he possesses a high degree of morality, honesty, conscientiousness, modesty and intolerance toward complacency and conservatism. This pertains especially to the party official, who has devoted himself to professional political activity. He is called on to embody the best ideological and moral qualities of a Communist. Running throughout the entire book is the idea that the ability of executive cadres to successfully accomplish the tasks that have been set manifests itself first and foremost in their mastery of a Leninist work style, their strength—ening of ties with the masses, and their abvility to see something that has been started through to the finish.

The reader will be interested in the problems of improving the mechanism for the selection and assignment of cadres, improving their quality and reinforcing leadership at all levels by appointing well-trained, qualified personnel. The book examines the system for studying and evaluating cadres in connection with their selection and advancement, and it discloses the significance of the party committees' list of persons available for appointment [nomenklatura].

The book devotes considerable attention to rural cadres. In light of the instructions of the CPSU Central Committeee's May (1982) plenum, which adopted the USSR Food Program, a great deal has been done and is being done to reinforce all sectors of agricultural production with the appointment of cadres and specialists. Lately more than 8,000 specialists have transferred from various management spheres directly to jobs on collective farms and state farms. However, there are deficiencies and unresolved questions in the area of reinforcing agriculture with cadres. In part, the rate of replacement of employees is still high, and the number of specialists among middle-level managers is not growing very fast.

Improving the quality of cadres and raising the level of the guidance of economic and cultural construction are linked by our party in the most direct fashion with the timely training of reserve personnel and the appointment of them to reinforce all levels of the party, state and economic apparatus and all public management agencies. Generalizing the valuable experience of the party committees of Moscow, the Ukraine, Georgia and Rostov Oblast, the author discloses the mechanism for the formation, training, probationary appointment and utilization of the reserve. In this connection he deals not just with the positive aspects but also with typical shortcomings that hinder improvement of the reserve's effectiveness, and he analyzes the reasons for omissions and deficiencies in this important work.

Taking into account the growing demands placed on the level of leadership, the party has been extremely persistent in implementing Leninist principles in work with cadres. This finds its expression in employees' high educational level, in the increasing proportion of them who are specialists in social production, and in the active advancement to executive positions of the leading representatives of the working class, the collective farm peasantry and the people's intelligentsia, and of young people and women of all the country's nations and nationalities. The book cites data regarding the steady increase in the number of employees who have a higher party political education and have earned scholarly degrees of candidate and doctor of science. Positive changes in the social, educational and age makeup of cadres are due to the objective requirements of developed socialist society, the highly dynamic nature of socioeconomic progress, the unprecedented growth in the people's culture and education, and the party's endeavor to make certain that the organizers and educators of the masses are fully equal to their lofty appointment.

A solicitous, concerned attitude toward people is firmly established in the party's cadres policy. It is important that this benevolent attitude, as pointed out at the CPSU Central Committee's December (1983) plenum, be combined even more fully with a high degree of exactingness and principle. The projected stabilization of cadres is having a positive effect on their work and the level of leadership as a whole.

One of the party's primary concerns is the systematic instruction and training of cadres. The book discloses the content, forms and methods of the work of the CPSU Central Committee and party committees in the ideological, political and moral tempering, training and retraining of employees; it analyzes the importance to training of such factors as the mastery of revolutionary theory, the development of criticism and self-criticism, organization of the monitoring and verification of implementation, the collective nature of leadership, and ties with the masses.

The book "Problemy kadrovoy politiki KPSS" is intended for the broad party aktiv.

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CSO: 1800/357

## NATIONAL

'ONLY SOVIET SOCIOLOGY TEXTBOOK' (NEW EDITION) REVIEWED

Moscow IZVESTIYA in Russian 24 Mar 84 p 3

[Article by Academician L. Il'ichev: "Not for a Sociologist Alone"]

[Text] The special role of the sociological investigations in the solution of the tasks of building communism during the period of perfecting developed socialism was noted at the June Plenum of the CPSU Central Committee (1983): the necessity of further development of the methodology of the sociological study, the widening of the scale of such investigations and increase in their practical effectiveness were emphasized.

Sociology faces a serious goal -- to carry out in-depth investigations of the socialist society. These investigations must contain analysis and generalizations of new phenomena in their dynamics and interaction, reveal the essence and tendencies of the changes that take place and provide the party class evaluations, scientifically sound practical suggestions and recommendations for carrying out the socioeconomic policy of our party.

Thus the question of the preparation of qualified cadres of applied sociologists gains important special significance. Their education is unthinkable without creating specialized study literature.

Recently, the second edition of "Rabochaya kniga sotsiologa" [Sociologist's Working Book], prepared by the Institute for Social Research of the USSR Academy of Sciences, was issued. So far this is the only textbook on sociology in our country. The first edition of the book appeared in 1976. As the first sociology textbook in the USSR, this book played its role in the teaching and preparation of the scientific cadres that specialize in the area of investigation of sociological phenomena and processes. The second edition is a step forward in the development of both theoretical and applied sociology. The book was reworked and additions were made in accordance with the new theoretical and practical experience which has been gained recently.

The second edition contains systematic presentations of all main subdivisions of sociological knowledge. The new edition is advantageously distinct from the first by the presence of auxiliary scientific tools; chapter by chapter

<sup>1 &</sup>quot;Rabochaya kniga sotsiologa" [Sociologist's Working Book]. 2nd ed. reworked and completed. Moscow: Nauka, 1983

bibliographical lists for supplementary reading, brief glossary of the main sociological terms and subject index.

A great deal of space in the book is allotted for the illumination of the methodological and applied aspects of sociological knowledge. The combination of the theoretical-methodological and the empirical-applied questions is one of the advantages of this work.

"Rabochaya kniga sotsiologa" visually demonstrates the justice of the fact that sociological information received even on the basis of most modern methodology and techniques has a scientific value only if it relies on scientific theory and is integrally connected to it.

Oriented towards the general audience, the primary goal of the book is to assist sociologists-practitioners in mastering the minimal knowledge necessary to organize and carry out sociological investigations under industrial and agricultural production conditions.

I suppose, however, that its meaning is wider: it is a valuable textbook for students and teachers of the VUZES of our country under the conditions when the vital task is being solved -- carrying out sociological education in higher education. While not claiming to summarize all the results of sociology development in the USSR and other socialist countries during recent years, the book considers most of the principal problems of sociology development which, until recently, have been discussed many times.

Solving theoretical and practical problems in their integration, "Rabochaya kniga sotsiologa" shows the necessity of analysis, not only of the objective social laws, but also of the social activity of people through which these laws manifest themselves under specific historical conditions.

The referenced work directs sociologists toward the concrete study of social and economic mechanisms of functioning and developing socialist society, toward uncovering and overcoming difficulties between the interaction of all of its links, and toward rationalizing and perfecting the social management processes.

"Rabochaya kniga sotsiologa" is a theoretical and practical introduction to all subdivisions of sociological science. Its study will assist in the further ideological training of party and economic cadres, Soviet students and all those who are interested in the problems of modern sociological science.

12404

CSO: 1800/352

# REGIONAL

# NABIYEV MEETS WITH TAJIK ELECTORATE

Dushanbe KOMMUNIST TADZHIKISTANA in Russian 28 Feb 84 p 1

[Article by TADZHIK TELEGRAPH AGENCY: "We Shall Translate the Party Plans into Reality"]

[Text] "Peoples welfare is the party's highest goal"; "To go forward, to strive for more!"; Long live the unbreakable block of communists and non-party people!"—these were the slogans which decorated the conference hall of Nausk party raykom where the workers of Ura-Tyubinsk electoral district No 731 gathered to meet with candiate of the Union Council Supreme Soviet USSR, First Secretary of the Central Committee Communist Party of Tadzhikistan R. N. Nabiyev.

Nausk rayon Party First Secretary K. Akmalov opened the meeting. The honorary presidium consisting of CPSU Central Committee Politburo members was elected with a rousing applause.

High school No 23 Director D. Rakhimbaeva was entrusted to tell the meeting about R. N. Nabiyev's life.

The speakers at the meeting included S. Fatkullayev, senior agronomist, kolkhoz imeni Dimitrov; Tarasov, director, building materials and construction combine; P. Khalilova, brigade leader of the cotton growing brigade, 'Ukraine' kolkhoz and candidate to Tadzhikistan Communist Party Central Committee; R. Usmanov, chairman of the kolkhoz imeni USSR 50th Anniversary, deputy of the republic Supreme Soviet; B. Rokmotova, brigade worker, sheep raising brigade, Sovkhoz imeni Zhdanov, and others.

The speakers discussed the unanimous approval by working collectives of the district as well as by all workers of the country of the extra-ordinary CPSU Central Committee Plenum decision to elect comrade K. U. Chernenko as General Secretary of CPSI Central Committee. They emphasized that the working people of cities and villages are fully determined to make a contribution in practical deeds to strengthening of the economic and defensive power of the homeland.

Warmly received by the partipants of the meeting, Candidate R. N. Nabiyev delivered his speech. He noted that the statements and conclusions which comrade K. U. Chernenko made in his speech to the February CPSU Central Committee Plenum received a warm response and an unanimous support in the hearts of workers, kolkhoz farmers and intelligentsia. This speech has great significance to the entire party. It sets forth a clear-cut program for a successful implementation of the 26th Party Congress and the subsequent CPSU Central Committee Plenums decisions, and reveals the objectives which clearly express our goals at the present stage.

Five years have passed since last elections to the Supreme Soviet of USSR. During these years, our republic rose to a new quality level in the entire area of the country's national economy. In 5 years almost as much of basic funds was put to use as during the fourth to eighth 5-year plans altogether. More than 120 enterprises, shops and units were built. The amount of goods produced by the industry during the first 3 years of the 5-year plan increased by 11.5 percent. The value of goods produced above the plan was 256 million roubles. In 3 years the productivity of labor in industry increased by 2.7 percent, and the plan for the release of higher quality products was fulfilled by 107.7 percent.

Considerable success has been also achieved in the agricultural sector of the economy. Average gross annual volume of agricultural products in the last 5 years increased by 14 percent as compared to the previous 5-year plan. Three-year quotas of the 5-year plan were met in state purchases of plant-growing and live-stock raising products. The economies of kolkhozes and sovkhozes are becoming stronger, and living and cultural conditions in the village are improving. Positive changes are taking place in the transportation, communications, and other fields.

The achievements in economic development have provided a solid basis for the rise of people's material welfare and the flourishing of their spiritual life. More that 660 thousand citizens celebrated their house-warming during those years. General education schools of 106.2 thousand students capacity and preschool institutions of 23 thousand children capacity were established. The volume of retail goods turnover increased almost by one third.

The contribution of Leninabad Oblast workers was substantial. For the achievement of high results in the all-union socialist competition and the successful completion of the state plan for economic and social development in 1983, the Leninabad Oblast was awarded the challenge banner by the CPSU Central Committee, USSR Council of Ministers, All-Union Central Soviet of Trade Unions, and the All-Union Lenin Communist Youth Union.

However, R. N. Nabiyev emphasized, our achievements in national economy could have been considerably more substantial, if all economic and social development would be decided from the standpoint of production efficiency; if the struggle to strengthen order and discipline, and to increase the personal involvement in the utilization of resources would be carried out more consistently and persistently. There still is a significant part of enterprises, associations, kolkhozes and sovkhozes unable to cope with the production and sales plans, the increase of labor productivity, and the commitments of contractual deliveries.

More than a hundred collectives of the republic in various fields of national economy adopted supplementary plans. The party's proposed goal to achieve an increase in labor productivity by 1 percent above the plan and an additional decrease in production costs by 1/2 percent received wide support. Depending on how this goal will be achieved, our economic leaders and social organizations will be judged for their abilities to mobilize people and obtain high final results.

There are still large losses of productive time and a turnover of cadres in the individual enterprises. In solving the problems of order and discipline improvement, the systematic introduction of brigade units in the organization and work incentives are of great importance. Unfortunately, the speaker remarked, we still have many shortcomings which lower the effectiveness of this movement. Party, trade union and Komsomol organizations are slow in making work adjustments with due regard to collective forms of work. There is a need to seek the immediate introduction of self-supporting brigades so that in fact they become the primary link in production management.

R. N. Nabiyev also called the attention to the need of increasing the effectiveness of basic funds utilization, of improvements in the construction field and further development of transportation and communications.

In his speech R. N. Nabiyev gave considerable attention to the questions of food program implementation and on improvement in the supplying of population with goods. To speed up the carrying out of food program objectives, he emphasized, the republic's farms have to reorganize their work and learn how to assimilate more rapidly and persistently all that is new and progressive in agricultural science and practice. We have to raise decisively the level of all our management methods and utilize our reserves more effectively.

R. N. Nabiyev devoted a significant part of his speech to questions of CPSU and Soviet State foreign policy.

"The international situation," he said in conclusion, "requires from every Soviet citizen high consciousness and discipline, and honest work in all areas of the construction of socialism. Our strength lies in the ideological and political unity of the Soviet society, in the unbreakable friendship of all USSR peoples, and in the unity of the party and the nation. There is no doubt that the forthcoming elections will demonstrate the unshakable solidarity of the Soviet people with the CPSU and its determination to follow the road indicated by the genius of our leader and teacher V. I. Lenin.

R. N. Nabiyev thanked all district voters from the bottom of his heart for the expression of great confidence in him, and assured them that he will devote all his strength, knowledge and experience to party interests and service to the people.

9932

cso: 1830/346

UZBEK CC BURO DISCUSSES ECONOMIC TOPICS

Tashkent PRAVDA VOSTOKA in Russian 17 Feb 84 p 1

[Article: "In the Uzbek CP Central Committee Buro"]

[Text] At its regular meeting the Buro of the Uzbek CP Central Committee discussed problems of party, soviet, and economic organs in the light of the decisions taken at the February (1984) Plenum of the CPSU Central Committee. The need to increase further labor efficiency in industry, capital construction, shipment, agriculture, trade and services was emphasized.

The Buro discussed and approved measures for the fulfillment of the CPSU Central Committee's decree: "About the work of the Moldavian CP Central Committee in improving the manner and methods of work of party organs in the light of the resolutions of the November (1982) Plenum of the CPSU Central Committee."

The Buro discussed the problems of party, soviet, and economic organs regarding the conduct of spring planting in an organized manner, meeting of plans for the production and procurement of cotton, grain and other farm products. It was stressed that in order to fulfill the lofty socialist obligations for 1984, kolkhozes and sovkhozes, interfarm enterprises and party, soviet and economic organs must implement effective measures to obtain a guaranteed total yield of raw cotton, grain, and other crops. The most immediate problem appears to be intensification of the preparation for spring field work and timely and effective planting of cotton and other spring crops. Meanwhile, Bukhara, Kashka-Darya, and Khorezm oblasts seriously lag behind in their preparation of cotton seeds.

The Buro then pointed out to the ministries and departments of the agroindustry sector of the republic economy ineffective solutions to a number of problems related to preparation for planting and requested that their managers take effective measures to hasten the preparation for sowing.

Progress in the fulfillment of party and government directives about the more effective use of capital investments earmarked for land improvement in Kashka-Darya Oblast was discussed. The unsatisfactory utilization of resources designated for this purpose was pointed out. Specific responsibility for

correction of the neglect and serious shortcomings brought to light was given to the Kashka-Darya Party Obkom and to the Main Administration of Central [Asian Sovkhoz Construction/Glavsredazirsokhozstroy]

The Buro considered the proposals, requests, and critical remarks addressed to republic organizations at rayon, city, and oblast party conferences and forwarded them to appropriate ministries and departments for resolution.

In the light of the decisions of the June (1983) Plenum of the CPSU Central Committee, the Buro examined the effort of the Collegium of the UzSSR Ministry of Cotton Cleaning Industry to strengthen state, production, and labor discipline at industry enterprises. It committed the ministry collegium to decisively increase the responsibility of managers of associations, cotton plants, and warehouses for stricter adherence to state standards and established regulations in receiving raw cotton, guaranteeing complete safety of the procured crop, quality processing, increasing cotton fiber production, and attaining a quality final product in every labor collective.

Progress was discussed in the implementation of earlier decisions to develop subsidiary farms at republic enterprises, organizations, and institutions in the light of the demands made at the May (1982) Plenum of the CPSU Central Committee. In 1983, 512 new subsidiary farms were established, bringing the number to 2,852. They produced 20,000 tons of meat and 11,000 tons of milk. The subsidiary farms of the city of Yangiyul, the Yangiyer building materials and construction combine, the Kokand butterfat combine, and the Main Administration of Public Food Service of Tashkent gorispolkom annually produce 30-40 kg of meat and 50-60 liters of milk per worker. But the ministries of light industry, local industry, of land reclamation and water resources, of power and electrification, and the State Committee for Water Resources Construction do not provide adequate support to promote the organization of subsidiary farms. The Buro called on party, soviet, trade union, Komsomol, and economic organs to intensify their effort to create and develop subsidiary farms at establishments, organizations, and institutions.

The Buro also discussed other party and economic construction issues, about which it made appropriate decisions.

12598

CSO: 1830/329

# BAKU GORKOM PLENUM EMPHASIZES ECONOMIC IMPROVEMENTS

Baku BAKINSKIY RABOCHIY in Russian 18 Mar 84 p 3

[Article: "In the Light of Crucial Tasks from the Baku Gorkom Party Plenum"]

[Text] The results of the February (1984) CC CPSU Plenum and the tasks of the Baku City Party organization which follow from the circumstances and conclusions contained in the speech given on that occasion by the General Secretary of the CC CPSU, Comrade K. U. Chernenko, were discussed at the Baku Gorkom Party Plenum.

The First Secretary of the Baku Party Gorkom, F. E. Musaev, delivered a report.

The participants at the plenum noted that communists and all the workers of Baku, like all Soviet people, wholly and completely support the decision of the February CC CPSU Plenum in the choice of Comrade K. U. Chernenko as General Secretary of the CC CPSU. Warm approval was given to Konstantin Ustinovich Chernenko's speech at the Plenum, which provides the Soviet people with a thoroughly elaborated program for the further development of our country's economy and the increased well-being of the workers.

The reporting speaker of the report and participants in the discussions talked about definite successes in the development of the republic capital's economy during the past year. The plan for manufacture and realization of industrial production was fulfilled ahead of schedule. All planned manufacturing capacities of paramount importance were put into operation. Five hundred eighty thousand square meters of living accomodations were given over for utilization. Together with this, while analyzing that which has been achieved, the participants at the plenum stressed that these indices do not correspond with the scientific, technical and production potential of the city. Baku lagged behind the control figures of the 5-year plan in growth rates for industrial production and other fixed indices of economic and social development.

For the accomplishment of tasks set by the CC of the Azerbaijan CP and the 45th Baku City Party Conference, the Party gorkom and raikoms took a series of concrete measures for the perfection of style and methods of agricultural management and the strengthening of discipline in all sectors. Results during the first two months of the current year indicate that the working collectives

of the city are off to a confident start. In addition, products corresponding to 16.6 and 10.3 million rubles respectively have been produced and realized. The planned growth in production capacity has been exceeded. Labor productivity has increased by 4.4 percent, 1.8 percent higher than the envisaged plan. The cost of production has fallen. Owing to intensive factors, an increase of over 80 percent in industrial production has been obtained. But this is only the beginning of great work. In order for there not to be a decrease in the gathered speed, it is imperative that maximal use be made of all available reserves, that work be organized and that increased demands be made on cadres.

It was indicated at the plenum that the main reserve for improvement of work is the strengthening of discipline and order in all links and in all sectors. Much has already been done in this respect, however there exist not a few shortcomings. It is impossible to be reconciled to the fact that on a monthly basis industry in the city does not produce 3 million rubles in output simply as a result of lost working time.

The participants at the plenum spoke of the necessity to extend the creative initiative of the workers. Many working collectives in the city have accepted counter-plans. But their fulfillment has not been placed on a business-like, real foundation everywhere. In several enterprises the counter-plans are not supported by obligations on the part of the workers, the brigade, the sectors and the shops. The Party organizations and economic managers must concern themselves with perfecting the moral and material stimulation of exceptional workers, developing a movement for economy and thrift, and increasing the shift system for work equipment.

Positive improvements have been planned for major construction. But the collectives on many construction projects lack self-discipline, organization and goal-orientation for the timely bringing into operation of construction. There is no provision for the proper Party influence on improvement of matters at the branches and there is no precise control over the pace of construction.

The participants at the plenum examined in detail questions of further development in the spheres of services, trade and transport. The way for improvement of work in these links lies in strengthening order and consolidating control. It is necessary to consolidate worker control, to make it truly militant and effective.

Serious attention was devoted at the plenum to questions of perfecting the style and methods of Party management. One of the directions in this undertaking is the precise delimitation of tasks lying before Party committees and government and economic organs. It frequently happens that the gorkom and raikoms fulfill the functions of the city executive committee [gorispolkom], the regional executive committees [raiispolkom] and the economic organs due to their insufficient activity and lack of initiative. In discussing the perfection of ideological-political and educational work, the speakers noted that it is necessary to concentrate important attention not on the number of measures carried out, but on their effectiveness and content.

The participants at the plenum gave their assurance that the communists and all the workers of the republic's capital would work even more energetically and will devote all their strength to the struggle of putting into practice the plans of the Party and to the early fulfillment of the 5-year plans.

12249 CSO: 1830/376

## REGIONAL

# LATVIAN LANGUAGE AND LITERATURE INSTITUTE HEAD ON RUSSIAN

Riga SOVETSKAYA LATVIYA in Russian 5 Jan 84 p 2

[Article by T. Yakubaytis, chief of the Language and Literature Department of the LaSSR Academy of Sciences, candidate of philological sciences, in the column "Conversations with Readers"; "The Language of Friendship of Peoples"]

[Excerpts] Our country appears before the whole world as a friendly family of more than 100 nations and nationalities, the joint labor of which is directed toward the perfection of a developed socialist society. The party and the government, by overseeing the strengthening of the idea of unity and brotherly friendship of the peoples of the USSR, pay much attention to the problems of national policy. The principal positions of this policy were formulated by V. I. Lenin.

The achievement of the Lenin principle of the equality of nations and the equality of languages was reflected in the abolishment in our country of an obligatory universal state language. All USSR nations and nationalities hold the right established by the Constitution to instruct the children in their native language and to use it in other spheres of their activity.

Thus, the Lenin national policy in the domain of language was actualized and continues to be actualized by deeds. The results of this policy are most clearly evident in the extension of the function of national languages. They are used not only in school, but also for the creation of artistic works, and in the press, on the radio, in movies, etc. Thus, in our country, primers are published in 90 languages; textbooks for secondary schools, in 52 languages; artistic works, in 76 languages; and radio broadcasting is done in 67 languages.

But the Lenin national policy not only opens up the possibility for development of national cultures and languages. It leads to rapprochement of nations and nationalities and to their interaction by mutual influence and enrichment in all spheres of human activity. It is difficult to imagine any sphere of artistic, scientific or cultural life where common investigations and elaborations implemented by collectives and enterprises of several republics and oblasts would not be conducted. The whole state and the national are closely interwoven in the life of each republic and the country as a whole. Therefore, together with a national language, it appeared vitally necessary to

have a language in which all citizens of our country could communicate, i.e., a language of international communication.

The Russian language is a fusion of greatest values included in the treasury of human culture. It is extraordinarily rich in its lexical-phraseological structure, dictionary composition, phonetic and grammatical structure, diverse forms, style and shades both in literary and in living conversational speech.

An equal among equals, the Russian language, as Soviet philologist V. G. Kostomarov notes, by its militant traditions, the treasures of its science and culture and disinterested international help with brotherly peoples, has earned the love and esteem, and conquered, speaking figuratively, the honorable state of an older brother of all people of the country. On this background, the Russian language began to be perceived as the language of truth and progress, friendship and brotherhood.

The rise in the function of the Russian language as a means of international communication by no means indicates a decrease or limit in the role of national languages. In the national republics, autonomous republics and okrugs and in all spheres of language activity, their own national language is used together with Russian. It is as if two parallel processes are taking place: activation and proliferation of the Russian language and development and extension of the functions of national language.

Thus, bilingualism is a characteristic feature of Soviet activity; it is based on free dominion by the Russian language as a means of international communication and the national language.

Now 82 percent of the population of the country has fluent mastery of the Russian language—the language of friendship and brotherhood, including the majority of the population of the LaSSR. According to the latest census, 97.8 percent of Latvians consider their native language to be Latvian, and 58.3 have fluently mastered the Russian language. Such facts, both the voluntary study and the use of two or more languages in daily life, are conclusive proof of the absurdity of the allegations of our enemies about the "displacement" of national languages and "compulsory" Russification, etc. At the present time the problem of bilingualism and multilingualism has become one of the most important concerns in language study. It is actively studied both in its theoretical and in its practical aspects and by Soviet linguists. An integrated program has been developed for the study of the function of the Russian language as a means of international communication, in the actualization of which many scientific centers of the country will participate, including the LaSSR.

In our republic great attention is being paid to Russian language study. Programs, textbooks and educational-method aids for the Russian language for Latvian schools have been improved, in many schools language laboratories have been established, and deeper study of Russian-Latvian literature relationships has begun. In the republic 130 schools are operating with parallel classes for Latvian and Russian language of instruction. In such schools the ideas of friendship among peoples are acquired not theoretically but in the process of active international communication.

However, what has been done does not completely satisfy today's requirements. The necessity for developing effective methods which would allow people whose native language is not Russian to master the Russian language sufficiently well in a short time is especially sharply perceived.

Analysis of the teaching and quality of learning of participating Latvian youths shows that the level of applied mastery of Russian speech, especially in relation to scientific, technical and military subjects, is still not high enough everywhere. In connection with this, the problem of broader use of technical means, and most of all of computers, becomes essential. By arranging the necessary programs, it is possible by means of a computer for individual use or a display connected to a large computer to study the Russian language extremely effectively both individually and in groups.

The importance of improving the study of the Russian language in the national republics, especially in its practical aspect, was stressed at the June, 1983 Plenum of the CPSU Central Committee.

In the plan of the CPSU Central Committee, "Basic Directions of Reform of General and Professional Schools", published yesterday, it was stated, "Fluent mastery of the Russian language must be the standard for youth finishing secondary educational institutions."

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